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CHICAGO TRIBUNE
28 November 1984

STAT

Mighty Casey got caught

By Aaron Freeman

Nicaragua looked real rocky for the Reagan crowd that year.
Sandinistas ruled the country, filling Republican hearts with fear.
When Big Pine Two did nothing and the Contras got nowhere
All the hawks in government fell into despair.
They said "If only Casey and the CIA could join the fight,
He'd show 'em how to move that country further to the right.
Then suddenly they all stood up.
A cry rose from their lips.
It echoed off the fighter planes and rattled off the ships.
It rumbled down from Washington to small Honduran shacks.

Aaron Freeman is a Chicago political satirist.

That Casey, William Casey, was directing the attacks!

Mischief showed in Casey's manner as he spoke to the committee.

"Forgot to tell you we bombed refineries? So sorry, such a pity.

"We must get tough on communism, not like Vietnam was.

"Covert action is the ticket, down in Nicaragua!

"Let's neutralize those dirty Marxists, give 'em all the hook!"

So Casey and the CIA made commie killer books! Oh somewhere in this covert land there is a quiet place.

Somewhere secrets are not leaked and spies do not lose face.

Somewhere facts can be covered up, reporters frightened or bought.

But there is no joy in Reaganville.

William Casey, he got caught.

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WASHINGTON POST
28 November 1984

STAT

"THAT'S AN UNFAVORABLE BROADCAST — THAT
NETWORK NEEDS TO BE NEUTRALIZED"



ARAM BAKSHIAN

She could fill a new role

Nov. 20, 1984, has two claims to the history books. It was the day that 192 Polish tourists traveling aboard the cruise ship *Stefan Batory* defected en masse in the West German port of Hamburg. It was also the day that a lone but distinguished lady jumped ship from the

Reagan administration. With all deference to the Hamburg 192, Ambassador Jeane J. Kirkpatrick probably made the bigger splash.

Considered by many the most articulate — and most hard-line — foreign policy spokesperson during Mr. Reagan's first term, Mrs. Kirkpatrick now has declared her determination to return to what she describes as "the pleasures of private life." While anyone who has

served four years of hard labor in what is laughingly known as the United Nations deserves a break, one could wish that the administration would find a more productive role for Mrs. Kirkpatrick to play in its second term.

Unfortunately, there just aren't any vacant slots at the top policy-making level. Mr. Reagan has already invited Secretary of State George Shultz, Defense Secretary Caspar Weinberger, CIA Director William Casey, and National Security Adviser Robert McFarlane to

stay on, and — as of this writing — none has shown any interest in retiring. Having — as a presidential aide to Mr. Reagan for more than 2½ years — watched all of them in action, this strikes me, on the whole, as good news.

All four organizations are in better shape now than when their current heads took command, and a fairly sane balance of inspired ideologues and able administrators prevails.

• At State, Mr. Shultz's avuncular yet no-nonsense style has restored calm in the wake of his well-intended but volatile predecessor, Al Haig. With the prospect of hard-nosed negotiations with the Soviets growing stronger each day, Mr. Shultz is definitely the man for the job.

• At Defense, while Caspar Weinberger has earned a lot of media criticism as a big spender, he deserves credit for presiding over both a much-needed material build-up and an even more-needed revival of pride and morale in our armed forces. With the defense budget likely to come under heavy fire from both sides of the aisle in the new Congress, an experienced, knowledgeable secretary of defense is a must. Mr. Weinberger fits the bill on both counts.

• At the CIA, William Casey has performed a similar feat. In addition, as a long-time member of the intelligence community, he brings

to his task practical experience that is more valuable than any amount of theoretical knowledge. What the CIA really does, they don't teach at universities. And that, too, is as it should be.

• At the NSC, Robert "Bud" McFarlane, a former professional military man with subsequent experience as a senior defense expert on the Senate Armed Services Committee, proved himself worthy of his post long before he was officially designated director. The reason was that his predecessor, William "Judge" Clark (now interior secretary), came to the NSC with little experience and leaned heavily on Mr. McFarlane, his deputy. Mr. McFarlane is a tough, calm, intelligent anti-communist, despite the occasional potshots taken at him by a few dissident voices on the far right.

So, alas for Mrs. Kirkpatrick, the administration is already dealing with a full deck. Still, why not create a new top position for an able intellectual who is possibly the most intelligent, eloquent woman ever to attain Cabinet rank? Not that she doesn't have a few blind spots. As a scholar — albeit a politically sophisticated one — Mrs. Kirkpatrick has never enjoyed much of a reputation as an administrator. And more than half the job, be it at State, Defense, the CIA, or the NSC, is riding herd on one's frequently errant underlings.

Whether she would have been up to the task we will never know, and perhaps it is just as well.

Some of her views, especially an unfortunate fondness for unpopular

authoritarian regimes south of the border, are also more than a little idiosyncratic.

But there is — or, at least, there was — another way that Mr. Reagan might benefit from Mrs. Kirkpatrick's counsel during his second term. It has its minuses as well as pluses, but deserves serious consideration. Ronald Reagan, unlike some presidents in the recent past, is an open-minded, inwardly secure man who welcomes animated discussion and debate. He likes to hear all sides of an argument before making up his mind.

On the economic side, that is why his administration has sometimes been accused of speaking with more than one voice, e.g. conflicting signals from Donald Regan's Treasury, the Council of Economic Advisers under Martin Feldstein, and the OMB under David Stockman.

Another major player on economic and other domestic issues has been White House counselor Edwin Meese, often, with considerable oversimplification, labeled the in-house conservative. Mr. Meese is no great shakes as an administrator, and he has lost as many policy battles as he has won. But his presence at the president's side over the past four years has made a difference — a difference for the better.

Why not a foreign policy equivalent of Ed Meese — a White House Counselor on Foreign Affairs who would be there to air ideas and see that a strong ideological case was always heard?

And why not Jeane Kirkpatrick for the job?

Aram Bakshian is a staff columnist for The Washington Times.

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28 November 1984

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SMITH HEMPSTONE

No useful role for Jeane Kirkpatrick?

When White House deputy press secretary Bob Sims announced the other day that Defense Secretary Caspar Weinberger, Secretary of State George Shultz, Central Intelligence Agency Director William Casey, and National Security Adviser Robert McFarlane had agreed to President Ronald Reagan's request that they remain in their positions for a second term, he was saying, in effect, that there is no room for proud and prickly Jeane Kirkpatrick in the second Reagan administration.

For Mrs. Kirkpatrick had made it clear for some time that she was uninterested in remaining as American ambassador to the United Nations after the current General Assembly session ends next month. And those four jobs were the only ones that interested the doughty scholar-diplomat.

EXCERPTED

TIME

26 November 1984

NICARAGUA

Broadsides in a War of Nerves

Washington and the Sandinistas take turns crying wolf

Once again the familiar tremors swept through Nicaragua. In the streets of Managua, the capital, dozens of Soviet-made T-55 tanks clattered into defensive positions. Antiaircraft crews manned their batteries, while zealous neighborhood defense committees scurried to dig air-raid trenches. Some 20,000 volunteer coffee pickers were reassigned to local militia units as the Sandinista government announced a "state of alert" affecting the country's 100,000-member military and security forces. For the third time in two years, the Sandinistas were loudly convinced—or so they said—that U.S. troops were about to invade their soil.

Most Nicaraguans, however, remained calm. Despite the government's repeated alarms, residents of Managua made their way to work as usual on the city's overcrowded buses. Schoolchildren played outdoors, even gathering in clusters around the squat, forbidding tanks. Occasionally the civic mood was shattered by a sonic boom, which the government attributed to high-flying U.S. SR-71 spy planes violating Nicaraguan airspace. Despite the noisy interruptions, few Nicaraguans seemed concerned about the putative *Yanqui* invasion.

A similar case of schizophrenia seemed to be afflicting the Reagan Administration. At a meeting of the 31-member Organization of American States in Brasilia, Secretary of State George Shultz pooh-poohed the Nicaraguan war hysteria as "self-induced . . . based on nothing." Said he: "Obviously they're trying to whip up their own population. But I can't imagine what the reason is for doing that." Then Shultz provided a possible answer. The U.S., he said in reference to Nicaragua's Soviet-sponsored arms buildup, was "trying to work in any way we can to cast this aggressive and subversive influence out of our hemisphere."

At the State Department and the Pentagon, those sentiments were stated more sharply. Even as U.S. officials repeatedly denied any aggressive intentions toward Nicaragua, they continued to issue stern warnings about the Central American republic's military buildup, especially the possible acquisition by the Sandinistas of high-performance Soviet-bloc aircraft. The U.S., said Pentagon Spokesman Michael Burch, would "provide whatever assistance is necessary" to protect its hemispheric interests. Did that include military intervention? Said Burch: "I'm not willing to include or exclude anything."

The superpower and the minipower had different motives for cranking up the mutual war of nerves. In the wake of President Reagan's election victory, Washington seemed intent on setting what one official called "the limits of U.S. tolerance" toward Marxist-led Nicaragua. After their somewhat less than democratic election triumph on Nov. 4, the Sandinistas seemed determined to keep building up their arsenal as rapidly as possible. Neither stance boded particularly well for the process of negotiated peace in the region, which both sides claim to support.

The latest spasms arose, ironically enough, from a false alarm. On Election Day, someone in the U.S. Government leaked word, based on sketchy and unconfirmed spy-satellite information, that crated Soviet MiG-21 interceptors were about to be unloaded at Nicaragua's Pacific port of Corinto from the Soviet freighter *Bakuriani*. The U.S. has long warned Nicaragua that the arrival of MiG-21s or similar fighters would be "unacceptable," since such weapons would upset the regional balance of air power.

By the time the *Bakuriani* unloaded its crated cargo and returned to sea, Washington was persuaded that MiG-21s had not been delivered. One reason, indicated by Shultz, was a Soviet assurance to the contrary. Another was the information gleaned from the rash of U.S. spy-plane flights, more probably low-flying F-4 reconnaissance jets than the superfast, supersophisticated SR-71s claimed by the Sandinistas (no sonic boom from an SR-71 can be heard when the aircraft flies, as it can on spy missions, at an altitude of 15 miles or more).

The U.S. conclusion: Soviet-bloc ships, including the *Bakuriani*, have more than likely delivered SA-3 and SA-8 anti-aircraft missiles, advanced radar equipment that would complete Nicaragua's air-defense system, and a supply of MI-24 "Hind" helicopters. The choppers are heavily armed gunships that the Soviets use against rebellious tribesmen in Afghanistan; they are probably intended to flush out 6,000 of the U.S.-backed *contra* guerrillas, who have now moved permanently inside Nicaragua to carry on their hit-and-run war against the Sandinistas.

Nonetheless, the Pentagon kept up its threatening expressions of concern. Even without the MiG-21s, U.S. officials said, the arrival of the *Bakuriani* marked the first time the Soviets had sent weapons to Nicaragua under their own flag, rather than through such surrogates as Cuba or

Bulgaria. U.S. military officials said last week that four more Soviet and East-bloc freighters were on their way to Nicaragua, without saying when the ships would arrive, or where. Said Pentagon Spokesman Burch: "Nicaragua has now armed itself to a greater degree or in quantities far greater than any of its neighbors, or even a coalition of its neighbors."

The Sandinista buildup is indeed impressive. Nicaragua's regular army and mobilized reserves now total 62,000, more than the armies of nearby El Salvador and Honduras combined. The U.S. estimates that Nicaragua has 150 tanks and 200 other armored vehicles, 200 antiaircraft guns and 300 missile launchers, in addition to perhaps 18 of the fearsome Hinds. By contrast, El Salvador, Guatemala and Honduras combined have 53 tanks and 104 armored vehicles; none of them has any advanced missile system. Neighboring Costa Rica has only a poorly equipped 9,800-member civil guard.

The Pentagon, moreover, maintains that the Sandinistas still want the MiGs and intend to get them. U.S. military officials also charged that five airfields are either currently receiving improvements or under construction in Nicaragua; at least one of them might be used for stopovers by Soviet long-range Backfire bombers. Bases in Nicaragua, says a Pentagon official, "would enormously facilitate Soviet reconnaissance flights over America's West Coast."

The emphasis on that argument is relatively new. In the past, the Administration has more often justified its actions in Central America by stressing that the Sandinistas were shipping arms to insurgents in El Salvador. The U.S. has also pointed to signs of creeping totalitarianism in Nicaragua, as the Marxist-led regime has curbed press freedom, expropriated the property of private entrepreneurs and built a pervasive security apparatus with the aid of Cuban and East German advisers.

The switch in reasoning seemed to reflect the Administration's recurring tendency to speak with different voices about Nicaragua. Privately, some Pentagon sources attributed the hyping of concern over the *Bakuriani* and its cargo to officials at the White House and National Security Council. The State Department also expressed frustration over the way the MiG issue had materialized: on his way to the OAS meeting, Shultz characterized the original leak as "a criminal act."

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NEWSWEEK
26 November 1984

PERISCOPE

Casey at the Bat—For Himself

White House aides suspect that CIA Director William J. Casey, under fire for the mining of Nicaraguan harbors and other covert CIA activities in the Central American country, shrewdly engineered a ringing endorsement from President Reagan by leaking stories to two conservative newspapers. The stories questioned whether the CIA director would keep his job; after they appeared, Casey wrote to Reagan complaining that he found it "very difficult to operate" under such conditions. The president predictably responded by declaring his unwavering support for Casey. One reason the White House aides believe that Casey was behind the stories is that they appeared only in The Washington Times and the New York Post, the CIA director's favorite conservative papers. In addition, Casey knew that because Ronald Reagan hates confrontation, the ploy would almost certainly result in a vote of confidence.

HUMAN EVENTS
24 November 1984

STAT

Possible CIA Choice Disturbs Conservatives

Informed intelligence sources tell HUMAN EVENTS they're concerned that William Casey will make a bad mistake if he appoints Lionel Olmer, now Under Secretary of Commerce, as Deputy Director of Central Intelligence. The current deputy director, John McMahon, is expected to leave shortly. This report, not taken seriously when the New York Times first surfaced it, has been given further credence since CIA Director Casey himself has favorably mentioned Olmer for the job. Olmer, however, is not looked upon kindly by hardliners. They say that he has undermined them on strategic trade issues with the Soviets and has taken an increasingly soft line towards the Kremlin.



OLMER

24 November 1984

BEAT THE DEVIL

ALEXANDER COCKBURN

STAT

Long National Nightmare

The final, preposterous image of the election campaign coverage was furnished by *Newsweek's* special "Election Extra" issue. It turns out that all through those long months a team of *Newsweek* political reporters had an agreement with their sources that they would be given access to certain material on condition it was not published until after the election. One reporter actually had two notebooks, one (presumably labeled B for bullshit) in which he would dutifully record the assertions of Administration officials that no secret plan to raise taxes was in the works, and the other (T for truth) in which he wrote down things to be concealed—Administration scenarios for raising taxes—until such time as their publication made no difference. *Time's* Strobe Talbott had a similar deal during the Nitze and Rowney arms talks in Geneva last year.

The defense for this sort of arrangement is that without it, the reporter would simply learn nothing—which is pernicious nonsense. By partaking in these embargoes the reporter becomes even more complicit in news management than is regularly the case. The losers are the readers who trustingly fork out their money each week for *Time* and *Newsweek* in the hopes of finding out what's going on, little realizing that bargains have been made to keep them in the dark as long as it counts.

The Phantom Planes

George Shultz should become the second member of Reagan's Cabinet to be on the receiving end of a criminal indictment. On November 10, discussing the leaked election night reports of the possible arrival of MIG-21 fighter planes in Nicaragua, he remarked, "Whoever leaked that material engaged in a criminal act in my opinion." But back at the start of October, in exchanges with people not in government, Shultz was alluding to the fact that a Soviet freighter bound for Nicaragua might be carrying MIG-21s.



In late September, U.S. satellite photographs of the Bakuriani receiving cargo at its Black Sea port showed that on an adjacent quay sat crates of a type that had been known in the past to contain MIG-21s. After an interval of cloud cover, photographs showed that the Bakuriani had departed and the crates were gone. Intelligence analysts inferred that the latter might have been loaded onto the former, and the news was circulated throughout the Administration.

As the Bakuriani plowed its way across the Atlantic, round Cape Horn and up toward Corinto, advocates of escalation against Nicaragua began to see the uses to which ship and cargo could be put.

The ultras—to be distinguished marginally from the ordinary warmongering rabble—include Gen. Paul Gorman, head of the U.S. Southern Command based in Panama, William Casey at the C.I.A., Fred Iklé and Nestor Sanchez at the Defense Department and Constantine Menges at the National Security Council. Gorman and the others tried

zealously to promote the Bakuriani/MIG threat in the closing weeks of the campaign but couldn't get it off the ground, since Reagan's top advisers were not keen on a cliffhanging crisis disrupting the pre-election Presidential image of sweet reason. Right at the end of October, in an unusual session of the National Security Council, Reagan rejected the idea of emergency action. The October surprise was that there was no surprise. Had Reagan been slipping, it might have been a different story.

On election night the ultras moved, in a pre-emptive coup designed to seize the high ground during the crucial days of policy formation immediately after the victory. News of the imminent arrival of the Bakuriani was leaked to CBS from the Pentagon, and to NBC from the Reagan party in California. Given the origin of the NBC story, it's possible that the ultras inhabit the highest levels of the Administration.

For the next three days the media handled the story exactly as the ultras had hoped—on the front pages. The emphatic denials by the Soviet Union and Nicaragua that MIG-21s had been or would be dispatched to Nicaragua were duly recorded, along with the Administration's emphasis that no "conclusive proof" of the presence of the MIGs aboard the Bakuriani had been obtained. But by then the MIGs had become purely symbolic.

To the extent that the coverage revolved around the issue of what the Reagan Administration would do if the planes had arrived at Corinto, it was irrelevant whether they had arrived or not. The papers remembered to mention that it was unlikely the MIGs were aboard and then went back to their worst-case analysis. This is often true in war scares. The Russians never deployed nuclear matériel in Cuba during the missile crisis of 1962, contrary to popular memory. Leading up to the crisis all that U.S. spy planes ever observed were metal canisters that might or might not have contained missiles (not warheads), just as the Bakuriani might or might not have been carrying MIG-21s.

A *New York Times* editorial for Friday, November 9, realized the fondest dreams of the ultras: "If American surveillance has blundered, Nicaragua has an easy way to prove it. Expose the cargo and expose the accusers. The larger point—even if galling—that Nicaragua's arms are a hemisphere [sic] concern has already been granted."

Both Philip Taubman of *The Times* and Fred Hiatt of *The Washington Post* managed to establish pretty clearly by the weekend what was going on. Taubman cited "certain national security aides" who "wanted to use the issue of the

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ON PAGE A-27WASHINGTON POST
23 November 1984*Rowland Evans and Robert Novak*

'Scalping the Pentagon

STAT

According to a high-ranking Americanologist in the Kremlin, the Soviet leadership privately charges Defense Secretary Caspar Weinberger and one of his top aides with having drawn up a "master plan" to destroy the Soviet Union.

Georgi Arbatov, head of the renowned Kremlin-run U.S.A. Institute, is known to have expressed that view of the Kremlin's antagonism toward Weinberger and Assistant Defense Secretary Richard Perle within the last six months. It has come into the hands of U.S. intelligence agencies, but by what means is not known. It was Arbatov's "personal opinion" that the removal of either Weinberger or Perle would be a "favorable development" and a "positive sign."

Disclosure of the secret Arbatov file on scalping the Pentagon happened to coincide with instructions from President Reagan to top Cabinet officials, including Weinberger and CIA Director William Casey, that he intends to follow "a negotiating track" on U.S.-Soviet concerns. But Moscow's call to fire Weinberger and Perle may backfire on Arbatov by raising their go-slow influence within an administration deeply divided over arms control.

The destruction of the Soviet Union, Arbatov said, is planned not by nuclear war but by "other" means: presumably economic and political subversion, military rearmament too fast for the Soviets to match and tougher restraints on sales of technology.

The Kremlin's top strategic specialist on how the Soviet Union should deal with its superpower rival denied that the election campaign had anything to do with it. "Let it be known," he said, "that it is the view of the Soviet leadership that the American administration does not want improved relations with Moscow and therefore for the foreseeable future the Soviet Union cannot move on arms control."

All this transpired before the president met Soviet Foreign Minister Andrei Gromyko in the White House last month. Since then, and particularly since his landslide reelection on Nov. 6, the president has been moving fast—too fast, some officials believe—toward arms control talks with Moscow under a vague, White House-proclaimed "umbrella" formula.

The "umbrella" formula will send Secre-

tary of State George Shultz to Geneva early next year for across-the-board talks with Gromyko. Paul Nitze, Reagan's negotiator in the failed effort to halt Soviet deployment of the European-targeted SS20 missile, might become Shultz's nuts-and-bolts negotiator starting during the preliminary "umbrella" talks.

In addition, Reagan is all but certain to ask Weinberger to designate a Pentagon specialist to sit through all the negotiations—not Perle, but perhaps Defense Undersecretary Fred Ikle. Whoever is chosen must be acceptable to the Joint Chiefs of Staff.

This careful preparation for what the president is privately calling his "negotiating track" looks neater and tidier than it is. Even with Reagan's strong emphasis to Weinberger and Casey that he is committed to negotiations—that, in the words of one top aide, it is his "frame of mind"—caution about new arms control agreements dominates the CIA and the Pentagon. At Shultz's State Department, the mood is different: optimistic over possibilities for breakthroughs.

Indeed, administration insiders sympathetic to the Pentagon's arms control caution say that the State Department's private judgment of Weinberger and Perle on the nuclear issue is just as negative as the view from the Kremlin portrayed by Georgi Arbatov.

The report of Arbatov's vicious criticism of the president's top Pentagon arms-control planners may actually strengthen them. That would produce a backlash against the Kremlin in the administration's bureaucratic struggle for the mind and soul of Ronald Reagan. Pro-arms control diplomats might be disadvantaged at the hands of Pentagon-CIA skeptics who are convinced that the United States was taken to the cleaners in earlier SALT agreements and must insist on leak-proof verification procedures for all future agreements.

One fact was emerging with clarity here following high-level study of the Arbatov file: however *persona non grata* Weinberger and Perle may be in George Shultz's State Department, the Kremlin's top Americanologist has ended all prospect of their leaving their posts any time soon.

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22 November 1984

ABROAD AT HOME | Anthony Lewis

STAT

Keeping the Faith

A fateful struggle is under way in Washington: a struggle for the soul of the second Reagan Administration. Will it be a Government of ideologues or of conservative pragmatists? The outcome will shape the course of policy on war in Central America, on the budget, arms control, the lot.

One of the combatants has just given us an insight into the struggle. She is Faith Ryan Whittlesey, Assistant to the President for Public Liaison. Mrs. Whittlesey provided the perhaps inadvertent glimpse in a letter to the editor denouncing a column of mine about an egregious misstatement by Vice President George Bush.

Talking about human rights in Nicaragua and El Salvador, Mr. Bush said the difference was like "night and day" — Nicaragua did not have "any human rights at all." I commented that in El Salvador right-wing death squads and Government security forces had murdered 42,000 civilians in the last five years, including the Roman Catholic Archbishop, while in Nicaragua Government troops had murdered or kidnapped around 200 people.

Mrs. Whittlesey wrote that the figure of 42,000 such deaths in El Salvador was incredible. But just two years ago a highly credible source put the 1979-82 total at perhaps 30,000, and there have been many more killings since. That source was Deane Hinton, U.S. Ambassador at the time, a Reagan appointee. He warned in a public speech that the "gorillas" responsible were "destroying El Salvador... every bit as much as the guerrillas."

As to Nicaragua, Mrs. Whittlesey named the figure of 200 deaths and disappearances. The respected Nica-

Which is the real Reagan?

raguan Permanent Commission on Human Rights (C.P.D.H.), she said, reports 10 to 20 a month. Yes, it does call attention to that many suspicious cases — but then it investigates further and drops many. The C.P.D.H. final report for 1983 listed 15 deaths and 31 disappearances for the year.

No rational person can look at those two countries and not see that the horror of murder and kidnapping has been infinitely worse in El Salvador. The figures are grotesquely disproportionate. Their reality could be ignored only by a cynical politician — or someone blinded by rightist ideology. That is Faith Ryan Whittlesey.

A onetime Ambassador to Switzerland, Mrs. Whittlesey was brought into the White House to do the usual job of the public liaison office — build support for Administration policies among community groups. But she has devoted herself instead to pushing the agenda of the New Right.

Business groups, called to the White House for what they thought might be discussions of tax or economic policy, have found themselves being harangued by Mrs. Whittlesey about the need for stronger U.S. action in Central America or the wonders of tuition tax credits.

To many in and out of the White House, it has appeared for some time that Mrs. Whittlesey sees her job as

keeping the President to the true faith. By preaching the ideology of the right, that is, she helps to make sure that Ronald Reagan is not subverted by the pragmatists.

Central America is a critical testing point for the right today. It wants to destroy the Nicaraguan Government by any means — U.S.-sponsored terrorism or, if needed, American troops. That is why Mrs. Whittlesey is so uncomfortable with those figures on Nicaragua and El Salvador. For her it is necessary to paint Nicaragua as the Devil, as a huge menace that demands U.S. intervention.

Faith Ryan Whittlesey herself is a marginal figure, but her performance in the White House shows the determination of the right to claim Ronald Reagan as its own. She was one of the 22 ambassadors who endorsed Jesse Helms for re-election, and Senator Helms is not marginal.

Most Reagan voters may have been moved by economics and liking for the President, but the rigid right is taking his victory as a mandate for its views. And it has weight in this Administration. Witness the extraordinary spectacle of two possible nominees for Secretary of Education, John Silber and William Bennett, being sent over to an extreme-right group to get its stamp of approval.

The mysterious question in all this is where Ronald Reagan stands. Does he want to be Reagan, as the right puts it? Does he find life more comfortable nearer the center, where he moved in the campaign? Or is he just prepared to drift with events, offending as few of his intimates as possible, letting William Casey and Caspar Weinberger push us toward war in Central America while George Shultz hangs back?

Reagan will retain top foreign policy advisers

By Robert Timberg
Washington Bureau of The Sun

WASHINGTON — President Reagan has asked all four of his senior foreign policy advisers to stay on into a second term, effectively quashing speculation that U.N. Ambassador Jeane J. Kirkpatrick, a conservative favorite, might be given one of their jobs.

White House spokesman Marlin Fitzwater told reporters covering the president's vacation in Santa Barbara, Calif., yesterday that Mr. Reagan had personally asked Secretary of State George P. Shultz, Defense Secretary Caspar W. Weinberger, CIA Director William J. Casey and National Security Adviser Robert C. McFarlane to continue in their posts.

Secretary Shultz's retention was reported last week. The other three were expected to remain, but yesterday's remarks by Mr. Fitzwater made it official.

Mr. McFarlane, an ex-Marine officer who only recently has begun to shed his low public profile, was deemed most expendable if the president decided to give Mrs. Kirkpatrick one of the four top jobs.

Mrs. Kirkpatrick, a Reagan favorite, was known to be interested in the NSC post and was the candidate of conservatives for the position last year when it was vacated by William P. Clark, now interior secretary.

But administration officials, asking not to be identified by name, said yesterday that the president last week asked Mr. McFarlane, a 1959 graduate of the Naval Academy, to continue in office, and he agreed to do so.

To a lesser degree, there have been rumors that Mrs. Kirkpatrick might be offered the CIA job, replacing Mr. Casey, whose four-year tenure has been marked by controversy over personal finances and clashes with congressmen over intelligence oversight.

In New York, meanwhile, Ambassador Kirkpatrick unwittingly set off a minor furor yesterday when she reiterated her standing position that she intends to return to private life when the current General Assembly session concludes next month.

"I was committed through the General Assembly, and I would, after that, talk to the president and we would work out something which would permit me to return to private life," she said.

Although Mrs. Kirkpatrick, 58, has made essentially the same statement regarding her future for months, it was read in some quarters as expressing an unswerving determination to quit the administration.

Late in the day, however, mission spokesman Joel Blocker tried to mute the ring of finality to his boss's comment. He referred reporters to her statement to *Newsweek* magazine two weeks ago in which she said, "There are some things I would like to see done in U.S. foreign policy, and only for those reasons would I stay on."

The president has been lavish in his praise for Mrs. Kirkpatrick throughout her tenure, and Mr. Fitzwater stressed yesterday that Mr. Reagan "is extraordinarily pleased by her work, values her service very much and would very much like her to stay."

Ambassador Kirkpatrick, a blunt-spoken conservative Democrat credited with saving the first night of last summer's Republican National Convention from terminal torpor with a rousing foreign policy address, has made no secret of her desire to return to Washington, where she maintains a home and holds a teaching post at Georgetown University.

At the same time, sources say she has told friends that she would agree to remain in the administration if she had a real role in shaping foreign policy.

There has been some speculation

that Mr. Reagan might try to satisfy Mrs. Kirkpatrick by creating a White House post for her. But it is difficult to see how that could be done without undercutting Mr. McFarlane.

She showed no interest when talk of naming her to a major overseas ambassadorial post surfaced in the press.

As a result of Mr. Fitzwater's comments yesterday, her situation seems best summed up by one White House aide who yesterday described it as "No room at the inn."

At the same time, Mr. Blocker and others noted that the president and Mrs. Kirkpatrick have not yet had a post-election chat about her future and probably won't until the General Assembly adjourns December 18.

"It will be an interesting conversation," said one official, asking not to be identified by name. The official also noted that a year ago Mrs. Kirkpatrick had expressed a desire to leave the United Nations and was dissuaded by Mr. Reagan.

21 November 1984

STAT

Split in Reagan Team

By STEVEN R. WEISMAN

Special to The New York Times

WASHINGTON, Nov. 20 — The new indications today that Jeane J. Kirkpatrick may soon leave the Administration illustrate what many officials acknowledge to be serious problems in the running of President

News Reagan's foreign policy
Analysis machinery.

The problems stem principally from the fact that Mr. Reagan is heading into a second term with basic divisions between conservatives and moderates unresolved. These divisions have led to internal disputes and even stalemates on Central America, arms control negotiations and relations with the Soviet Union.

Because Mrs. Kirkpatrick is regarded at the White House and State Department as one of the most prominent conservatives in the Administration, there has been jockeying by conservatives to have her appointed Secretary of State or national security adviser.

Few Vacancies at the Top

Mrs. Kirkpatrick has generally not commented on such efforts, but her friends have made it clear that she would stay in the Administration if such a post was offered.

It has become increasingly obvious in recent weeks, however, that there are unlikely to be any top vacancies soon. White House officials say that, one by one, Mr. Reagan has asked Secretary of State George P. Shultz, William J. Casey, the Director of Central Intelligence, and Defense Secretary Caspar W. Weinberger to stay on.

Working Profile: Herblock

STAT

The Fine Art of Making Them Cringe

By WILLIAM E. FARRELL

Special to The New York Times

WASHINGTON, Nov. 20 — He has made national and world figures cringe as they opened their morning newspapers and saw themselves, their foibles and their bloated rhetoric skewered in caricatures.

He is credited with coining the term "McCarthyism" in a savage drawing in 1950 in which the word was printed on a mud barrel.

He has won three Pulitzer prizes and shared in a fourth and has accumulated a raft of honorary degrees and just about every journalism award imaginable.

For 55 of his 75 years, Herbert Lawrence Block, alias Herblock, has been drawing political cartoons. There have been thousands of them — he is not sure how many — and for a very long time they have been damned, praised, torn up, saved and anthologized. In addition, they are now syndicated in 150 publications.

The Guy Who Cuts to the Quick

Five days a week Mr. Block works on deadline at The Washington Post in an office that gives new meaning to the word disorder. By the end of the day there is always a cartoon, as current as the day's news, one that more often than not cuts graphically to the quick of a complex issue. Often they satirize, sometimes in angry collusion with the captions he writes, but they can also sympathize, explain and illuminate.

Friends and associates, somewhat surprisingly, describe Mr. Block as "the good guy next door," an "average Joe," "like a friendly grocer" and "unassuming."

It all sounds too good to be true. But these descriptions stand up in a face-to-face meeting with the cartoonist in his cheerfully chaotic office, which houses Daumier prints, a drawing by the great American cartoonist Thomas Nast, coffee cans filled with soft-leaded pencils, a battered desk with a much-used drawing board on it, some crepe paper decorations and sagging balloons from a bygone party and a lumpy couch cloaked in a colorful afghan.

Mr. Block looks and acts much younger than his years. He laughs easily, punctuates his remarks with unsalty asides such as "oh boy" or "oh hey" and tends, out of enthusiasm and interest, to upend an interview by becoming the questioner.

He has just published his ninth book, "Herblock Through the Looking

Glass," which is a trip through the first four years of Ronald Reagan's Presidency in cartoons and print.

Like other Presidents Mr. Block has caricatured, Mr. Reagan does not get off lightly. While sometimes portraying him as a figure of daffy ineptness, however, these cartoons of Mr. Reagan do not approach the caustic Herblock renderings of Richard M. Nixon, who usually appeared as shifty and grizzled, desperately in need of a shave and moral uplift.

When Mr. Nixon was elected President, Mr. Block decided to give him one shave, and a drawing of the President without five o'clock shadow appeared. Is he planning an equivalent concession to Mr. Reagan as he begins his second term?

"I've been drawing him nice," the cartoonist replied. "My Reagan is not a tough-looking Reagan. I do him pretty straight. It's the things he does that are bad. He looks all right."

And What About Casey?

Mr. Block's only response is a laugh when he is asked about his attitude toward William J. Casey, the Director of Central Intelligence. Mr. Casey is consistently portrayed as a portly figure with a paper bag over his head, carrying a briefcase with the words "not unfit to serve" stenciled on it. The comment came from the Senate confirmation hearings on Mr. Casey's appointment.

Mr. Block prefers the pressure of a daily deadline. He keeps no stockpile of drawings, no idea file. Each day he goes to work not knowing what he will draw, he said. For ideas he reads the newspapers, particularly The Washington Post and The New York Times, and talks with Post reporters.

"You've got a real nice bunch here, real helpful," he said. "You go out, shmooze around and talk to people, hang around the water cooler. Whether it's just killing time or cranking up, I don't know."

'In the End, You Decide'

Using cheap newsroom paper, Mr. Block sketches out a possible cartoon. If it is topical, as it often is, he tries to show it to a reporter knowledgeable in the particular field, although "in the end you have to decide yourself," he said.

The final drawing usually takes three hours. When the 8:30 P.M. deadline is met, Mr. Block stays around the office to make sure the reproduction is clear and to sketch in last-minute changes if necessary.

He has the ability to illustrate ab-

struse issues. After reading about the national debt, which tops a trillion dollars, and the high annual interest on it that comes out of Federal taxes, for example, Mr. Block drew two fat vampires with snaggle teeth, a father and son act, labeled "National Debt" and "Annual Interest on the Debt." The taxpayer was portrayed as a hapless ingénue whose neck was being fanged by "Annual Interest" while the other vampire said: "You first, son."

Many years ago Mr. Block took some courses at the Chicago Art Institute, in his native city. But, as it developed, his style is all his own. He is addicted to puns in his writing, of which he says: "It's kind of a compliment when they groan."

Figures who appear often in his work have generally evolved over time. "Carter — he had this way he looked" that fortified an impression of weakness, Mr. Block said. Mr. Nixon had a crouched posture "like Uriah Heep," and Mr. Reagan often "has his arms out like he's going to draw or something."

Faces on the Streets

Mr. Block used to be "a Sunday painter," and he says he still sees faces on the streets that interest him as subjects for drawings and sketches. But his talents for exaggeration and graphic lampoons are reserved for politicians and elected officials, all of whom are regarded as fair game for the Herblock canon. Occasionally, he pencils in a caricature of himself, a bit like Alfred Hitchcock's walk-ons in his films.

"To draw a terrible-looking woman as a terrible-looking woman, gee, it isn't necessary," he said. But frauds, kooks, bullies, manipulators and self-seekers, beware. There is anger in this gifted, genial man whose sketches and drawings can devastate and puncture in the manner of one of his heroes, Thomas Nast, whose scathing cartoons of Boss Tweed and his henchmen helped topple them.

As another deadline approaches, there are no visible signs of anxiety. Mr. Block shows a visitor a sketch that will be the nucleus of the next Herblock cartoon, this one a broadside on the inertia of the Reagan Administration's environmental programs. He straightens out his drawing board, reaches into a coffee can for some sharpened pencils and says: "One way or another you manage to make it every day."

Soviet Reported Ready to Talk About Weapons

Shultz, Gromyko May Meet

By Don Oberdorfer
Washington Post Staff Writer

The Soviet Union has sent a message to the United States that could establish the basis for an early meeting between Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko for the purpose of restarting arms-control discussions, U.S. sources said yesterday.

The Soviet message, delivered to the State Department last Saturday, was described as a tangible sign of Moscow's willingness to meet on the arms question. One official said what remains is to establish the time and place for a Gromyko-Shultz meeting, which probably would be either in Moscow or a neutral capital in Western Europe.

It was unclear to what extent the Soviets explicitly accepted the U.S. formula for "umbrella talks" over six arms issues: strategic arms, intermediate-range arms, weapons in space, conventional forces in Europe, confidence-building measures and chemical weapons. One U.S. source suggested that the question is largely one of semantics, since the Soviets have made known their willingness to talk about a broad range of arms questions at a Shultz-Gromyko session.

A Shultz-Gromyko meeting is likely to be only a preliminary step toward resumption of detailed U.S.-Soviet negotiations. The two sides continue to have different priorities, with the Soviets most keenly interested in averting military activities in space and the United States mainly interested in reducing existing offensive nuclear arsenals.

Moreover, the substantive positions of Moscow and Washington remain far apart on nearly all the arms areas being mentioned for exploration. Some of the most contentious issues are under dispute between agencies and factions here.

A White House official said President Reagan discussed arms control in conversations last week with Shultz, Secretary of Defense Caspar W. Weinberger, CIA Director William J. Casey and national security affairs adviser Robert C. McFarlane, among others. The conversations are reported to have resulted in an "understanding" that Reagan and Shultz will have to devote more of their own time to the subject, which

Reagan has described
foreign policy priority for his second term.

STAT

Another result of the discussion, sources said, is a consensus at top levels that a "special envoy" or "special coordinator" for arms control will be named to assist Shultz if across-the-board discussions with the Soviets can be arranged.

State Department spokesman John Hughes, while refusing to comment on Saturday's message or other communications in confidential channels, said, "We remain deeply interested in improving our relations with the Soviet Union and resuming an arms-control dialogue."

He noted that Shultz, in an appearance Friday night on the NBC Nightly News, said, "We're ready to sit down and engage in real negotiations with the Soviet Union on arms control and seek concrete results and work out problems." Shultz was responding to written statements from Soviet President Konstantin U. Chernenko to NBC News correspondent Marvin Kalb.

Kalb, on Monday night, was the first to report the delivery of Saturday's message from the Soviets.

A senior State Department official discouraged speculation that an early summit meeting between Reagan and Chernenko might result from a Shultz-Gromyko exchange. Chernenko, in answers to questions from Kalb, said he did not believe that the time was right for such a meeting.

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 21 November 1984

STAT

Kirkpatrick reaffirms wish to leave United Nations post

By Gus Constantine
 and Jeremiah O'Leary
 THE WASHINGTON TIMES

United Nations Ambassador Jeane Kirkpatrick yesterday reaffirmed her "desire to return to private life" and said once again that she will talk to President Reagan when the current U.N. General Assembly session ends "to work out something."

At a briefing for reporters at the U.S. Mission in New York, the ambassador, as she has done repeatedly this year, gave a carefully hedged response to questions about her plans for the future.

Shorn of diplomatic doubletalk, the response seemed to be: Yes, she would stay on in some other capacity if given the chance to do certain unspecified things she would like to see done in U.S. foreign policy. Barring that, she feels the time has come for her exit from a post in which she has battled doggedly to reassert U.S. interests in the world body.

Remaining to be "worked out," according to sources close to Mrs. Kirkpatrick, is who will take over the U.N. post. Mrs. Kirkpatrick said her successor — "whether a professional diplomat or a political appointee" — should be prepared to "stay a long while at a very difficult job."

At the Western White House in Santa Barbara, Calif., White House spokesman Marlin Fitzwater said yesterday President Reagan already has had personal conversations with national security adviser Robert C. McFarlane, Secretary of State George P. Shultz, Secretary of Defense Caspar Weinberger and CIA Director William Casey in which he asked them specifically to stay on.

Mr. Fitzwater said President Reagan thinks Ambassador Kirk-

patrick is doing an outstanding job but added he does not know if the president has asked her to remain on his foreign policy team.

Sources in the White House have been saying for some time that there would be resistance by the rest of the foreign policy team to having the outspoken Mrs. Kirkpatrick in such a role inside the White House.

During the past year, the U.N. envoy has remained scrupulously noncommittal in her public statements as a stormy debate developed over whether a person of her unequivocally conservative persuasion should be elevated to one of the top foreign affairs posts

in a second Reagan administration.

First, she was touted as a replacement for William Clark as the president's national security adviser. Then, when McFarlane was selected for that post, the debate shifted to whether she should replace George Shultz as Secretary of State.

With the announcement this week that Mr. Shultz has agreed to remain in that post, pressures appeared to be mounting to elevate Mrs. Kirkpatrick to a key foreign policy post.

"I have the intention to return to private life," she told a news conference at the U.S. mission to the United Nations. "I have a desire, and that is my desire."

The press conference was called by the U.N. ambassador to review U.S. accomplishments at the world body.

She told reporters regard for the

United States in the General Assembly had improved during her time.

"The U.S. situation is very substantially improved. There is simply no question about that," she said.

"In our view, and I suspect in the view of many other countries, the tone of the General Assembly has

substantially improved. There are fewer tirades of hatred and splotic outpourings. One of the striking features is how much less venomous, harsh and abusive rhetoric is used.

"We are better able to protect ourselves against unfair abuse and better able to protect our interests ... than we were."

She attributed the development to the fact that, "We made it very clear to everyone that we took the United Nations and what happened here very seriously."

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STAT

Two roads diverge for Reagan

President Reagan's place in history will be determined to a considerable degree by staffing decisions he makes in weeks ahead in key foreign policy areas - Soviet relations, arms control and Central America.

The President has reached a fork in the road. One tenacious, ideologically driven school of advisers is urging him toward a militant, confrontational, military-based policy. This course could generalize the war in Central America, propel the nuclear-weapons race to new heights of insanity, destabilize relations with allies and possibly revive '60s-style political tumult at home.

Another school, more inclined toward pragmatic diplomacy, is urging the President to work toward a modus vivendi with adversaries such as the Soviets and irritants such as the Sandinista regime in Nicaragua.

If Reagan chooses this course, he could make a breakthrough in arms control and reduce tensions in Central America, thereby snatching a second-term rabbit out of the hat: Reagan the Peacemaker.

Because of Reagan's detached management style and the lack of an underlying policy consensus, who fills what job in this Administration is crucially important. The ideologues, sensing that the election "mandate" positions them to leave an indelible mark on US policy, aim to polish off the Sandinistas and render arms control irrelevant. This wing now hopes to elevate UN Ambassador Jeane Kirkpatrick to national security adviser, displacing Robert McFarlane. If that happens, and if North Carolina's Jesse Helms takes over as chairman of the Senate Committee on Foreign Relations, US policy is in for a wild downhill ride.

Pragmatic arms controllers generally regard Assistant Secretary of Defense Richard

Perle as the key official who must be neutralized if there is to be any progress. (According to President Reagan, the correct usage of "neutralize" is as follows: "You just say to the fellow who's sitting there in the office, 'You're not in the office anymore.'")

Perle, in many ways the brain behind Defense Secretary Caspar Weinberger, has made continual mischief, formulating one-sided proposals guaranteed to be unacceptable to the Soviets and exaggerating the difficulties of "verifying" treaty compliance. Sowing obstacles in the path of arms control, he dominates the policy vacuum created by Reagan's lack of interest and Secretary of State George Shultz's lethargy.

On Central America, the key people to watch - in addition to Kirkpatrick - are CIA Director William Casey, Undersecretary of Defense Fred Ikle, and two secondary but influential officials: Nestor Sanchez, who works for Ikle, and Constantine Menges, the Latin America specialist on the National Security Council.

This team, which has pushed steadily for a military approach in Central America, has checked the diplomatic twitches that originate sporadically in the State Department. For example, this is the group behind the firings of Thomas Enders as undersecretary of state for hemispheric affairs, Thomas Hinton as ambassador to El Salvador, and Anthony Quainton as ambassador to Nicaragua; all three fell because they grew to favor negotiated settlement over war.

The key to peace in Central America will be whether President Reagan removes himself from the thrall of Kirkpatrick, Casey and Ikle. The key to arms-control progress will be whether he curbs the influence of Richard Perle. It is that simple.

STAT

Weinberger Is to Stay, Aide to Reagan Says

WASHINGTON, Nov. 19 (AP) — President Reagan has asked Defense Secretary Caspar W. Weinberger to keep his job in Mr. Reagan's second term and Mr. Weinberger has accepted, a White House official said today.

The deputy White House press secretary, Bob Sims, said that the national security adviser, Robert C. McFarlane, the Director of Central Intelligence, William J. Casey, and the Secretary of State, George P. Shultz, had also talked to Mr. Reagan and had agreed to stay on the job.

"The President has talked to all of these individuals and they are all to the best of my knowledge hoping to stay," Mr. Sims said.

WASHINGTON TIMES
19 November 1984

STAT

DIANA HEARS

A RMS AND THE MANDATE . . . Think-tank diners *normally* give you airline food and a nice snooze during the speeches. But honestly, darlings! *Not* this year's Ethics and Public Policy Center dinner. It was to honor Paul Nitze, the Arms Control negotiator. Somewhere between Ernie Lefever's welcome and the last crumb of cassada with fruit mousse, it turned into a riproaring Star Wars debate. Harold Brown, once Jimmy Carter's Defensemeister, told the rather rightish crowd that there wasn't a *ghost* of a chance that a space-based anti-missile system could work. Besides, he said, "intercepting one missile is not a military strategy." That woke up a few who'd dozed off while the first speaker, Admiral Elmo Zumwalt, was revealing why he calls Mr. Nitze's wife "Nanny." Then up jumped Sen. John Tower, to defend Defense. He waxed so snippy about his Congressional colleagues' kibbitzing, everyone said he sounded *just* like a DefenseSec. Then on came the real one, Cap. Weinberger, to tell the Prez's favorite Defense Allegory. (Stop Ear if you've heard it. The one about the minister's son who meets the bear in the wood? Unable to escape, he falls to his knees to pray. Upon opening his eyes he sees the bear, too, upon its knees. "A miracle!" he cries. "You, whom I doubted, so different from me, yet we're praying to the same God." "I don't know about you," says the bear, "but I was saying grace.") He declared the

orbiting space shield "well within our technological, scientific, productive and inventive genius," and "vital." People like Bill Casey and Bill Clark nudged and nodded and clapped away. DC's US Attorney Joseph Di Genova held hands with Deputy Assistant Attorney General Victoria Toensing, who's his wife; former CIAer William Colby did not hold hands with bride-to-be Sally Shelton. (She was at a different table.) An out-of-lip-sync Presidential video message was great fun; Clare Boothe Luce was in all her glory; and, best of all, the honoree told Deep Inside Skinny Tales of the Bureaucracy. (Ear liked the one about Ave Harriman, who's rather deaf, being offered a presidential appointment on the phone, and accepting it. Then, he hung up and asked his companion what his new job was. "Assistant Secretary for Eastern Affairs," bawled his friend, who had overheard the shouting President. "Damn," said Ave, "I hoped it was European.") A satisfying, if exhausting, Washington Night on the Town. Come back tomorrow, after a good night's sleep.

STAT

'Professional' CIA directors

Senators Barry Goldwater and Daniel Moynihan, chairman and vice chairman of the Senate Intelligence Committee, are pushing legislation to require that all future directors and deputy directors of central intelligence be professional intelligence officers.

Their effort results from the experience of working with CIA Director William Casey, who had been campaign manager and a political crony of President Reagan and who has run afoul of Congress for cavalier financial dealings, the bending of intelligence reports to fit the administration party line and the agency's activities in Central America.

Because of Mr. Casey's lack of credibility on Capitol Hill, senators were able to make the White House agree to have only professional intelligence officers in the deputy post as long as Mr. Casey remains director.

Indeed, the Goldwater-Moynihan measure comes too late to do anything about Mr. Casey.

Having been confirmed, he can serve as long as the President wishes him to.

And it's a bad principle anyway. A President should not be constrained in his choice for the post by requirements that render it a bureaucratic civil service job, especially as it deals with the highest levels of national security policy.

Under two professional directors, Richard Helms and William Colby, the CIA was greatly plagued by problems. Under a nonprofessional director, George Bush, its morale and good standing were much restored.

Mr. Goldwater and Mr. Moynihan mean well. The post of intelligence director is too important to be handed out to political buddies. But the place to attend to that is in the confirmation process. They should take a lesson from the experience of the FBI, which also suffered from politicized directorship until Congress made it clear that it would tolerate no such appointment again.

REAGAN WILL TAKE HIS TIME FILLING TOP-LEVEL VACANCIES
BY HELEN THOMAS
WASHINGTON

President Reagan has no plans to shake up his "winning team" at the start of his second term and he says he will take his time about filling top-level vacancies. STAT

Several names have cropped up in the bidding to replace Education Secretary Terrel Bell, who was the first Reagan cabinet official to resign since the president's landslide reelection victory.

When Reagan was asked recently if he would replace Bell quickly, he replied: "I'm going to take my time."

Education Department officials consider top contenders for the post to be William Bennett, 41, a conservative Democrat and chairman of the National Endowment for the Humanities, and John Silber, 58, president of Boston University since 1970.

White House aides expect Labor Secretary Raymond Donovan to leave the Cabinet early in the new term. Donovan, who has been indicted for grand larceny and fraud stemming from a New York City subway project, is currently on a leave of absence.

The president intends to resubmit the nomination of counselor Edwin Meese to be attorney general, replacing William French Smith who wants to return to private practice in California.

Inevitably, those who supported the president in his re-election campaign will have top priority. The president also was expected to find a spot for Republican politicians who were defeated in the election.

Sen. Charles Percy, R-Ill., chairman of the Foreign Relations Committee, who was defeated in a re-election bid, was considered to be in line for an appointment, perhaps in the diplomatic field.

UN Ambassador Jeane Kirkpatrick is itching to leave New York but her supporters are seeking to promote her to a White House advisory position.

The word around town is that she would like to be national security affairs adviser -- a job now held by Robert McFarlane.

She also reportedly would like to become secretary of state, but Reagan has assured George Shultz he wants him to remain in the Cabinet.

Shultz and a number of top White House aides are not too favorably disposed to the brilliant, but sharp-tongued Kirkpatrick. However, Reagan admires her hardline advice, particularly on Central America.

For that matter, Defense Secretary Caspar Weinberger is said to covet the position of secretary of state. He and Shultz are at odds on a number of issues with Weinberger taking a much tougher approach toward negotiations with the Soviets.

Continued

16 November 1984

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U.S. May Adopt Tougher Stance On Nicaragua

Managua Must Be Flexible In Talks Next Week, Administration Says

By ROBERT S. GREENBERGER

Staff Reporter of THE WALL STREET JOURNAL.

WASHINGTON—A meeting next week between U.S. and Nicaraguan officials may offer Managua a last-ditch opportunity to head off a rougher Reagan administration policy toward the leftist Sandinista regime.

An administration official says the Nicaraguans asked that such a session be scheduled quickly, in the wake of administration charges that Managua is building a massive arsenal designed to threaten its neighbors. The meeting would be the eighth in a series of bilateral talks begun after Secretary of State George Shultz's surprise visit to Managua last June. It is scheduled to begin Monday in Manzanillo, Mexico.

An administration official calls next week's session "the most critical one we've had to date," and says the Nicaraguans must show more flexibility in these talks. He adds the Sandinistas must recognize both that they will have to deal with President Reagan for four more years, and that there is a consensus in Congress that the U.S. won't tolerate the presence of certain Soviet-supplied offensive weapons in Nicaragua. Last week, U.S. officials worried that a Soviet freighter might be unloading supersonic MiG-21 fighters in Nicaragua. The ship's cargo included weapons but not MiGs.

The concern over the MiGs reflects a fierce policy debate currently under way within the administration—a dispute that is preventing any constructive response to Managua's proposals. The moderates, mostly at the State Department, want to keep negotiating with the Sandinistas to persuade them to modify their behavior and stop supplying leftist guerrillas in El Salvador. However, hardliners at the Pentagon, Central Intelligence Agency and National Security Council fear that the Sandinistas are using negotiations only to buy time and consolidate their rule. The hardliners are pushing—unsuccessfully so far—for a tougher policy.

'Peace Scare'

The policy debate intensified earlier this fall when, according to one official, a "peace scare broke out" among the hardliners worried about a pre-election Reagan peace offer to Nicaragua. These officials were concerned that any negotiated settlement would obligate the U.S. to accept the Sandinistas, but allow Managua to cheat on the agreement. Fears intensified when Secretary Shultz announced he would travel to Panama in mid-October to attend the inauguration of Panama's president. The hardliners suspected that Mr. Shultz might make another surprise trip to Managua.

The hardliners—such as CIA Director William Casey and NSC staffer Constantine Minges—pushed for a National Security Council meeting, which was held Oct. 30, to try to convince Mr. Reagan of the dangers of negotiating with Managua. President Reagan rejected the arguments and told Mr. Shultz to continue the negotiating process.

Nevertheless, analysts say the moderates' victory may be only temporary and tactical. For example, the hardliners influenced the first formal offer presented by the U.S. to Managua during the current round of bilateral talks in Manzanillo, Mexico. In September, the U.S. told Nicaragua that it should send home Cuban and East-bloc military advisers in a phased withdrawal over a 90-day period. In exchange, the U.S. offered only to "take into consideration" these actions; the U.S. wouldn't commit to a reduced military presence in the region.

Nicaraguan Objections

This proposal, which was the product of a U.S. interagency group, "isn't a negotiation, it's a call for surrender," complains a senior Nicaraguan diplomat. According to the diplomat, the U.S. also asked Nicaragua to expel Salvadoran leftist guerrilla leaders and incorporate into their own political process U.S.-backed insurgents who are locked in a bitter battle with Managua.

The hardliners, worried that time favors the Nicaraguans, are working to make sure that U.S. proposals are tough so that Washington isn't lulled into negotiations with Managua. They say the Sandinistas already have consolidated their rule with elections held earlier this month. Citing an accelerating arms buildup, they note that, for the first time, Moscow is shipping arms directly to Nicaragua, rather than through third countries.

U.S. officials say several more Soviet freighters are on the way to Nicaragua with additional arms shipments. An official said late yesterday that one of these ships has arrived at the west coast port of Corinto, and that officials suspect it may be carrying arms and patrol boats.

The Reuters news service later reported that a Soviet freighter docked there had begun unloading a cargo that included a number of tractors and trucks.

As a result, some U.S. officials have concluded it is time to broaden the policy objective, from a concern about Nicaragua arming leftist guerrillas in the region to moves preventing the consolidation of what they view as a totalitarian state in the hemisphere. In recent days, U.S. officials pointedly have made comparisons between Nicaragua and Cuba. Last Sunday, on NBC's "Meet the Press," Defense Secretary Caspar Weinberger said, "One Cuba is a big problem and a second Cuba would be twice that kind of problem."

STAT

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WASHINGTON POST
16 November 1984

Hill Urged to Probe Reports of Illegal CIA Activity in U.S.

STAT

By Joanne Omang
Washington Post Staff Writer

An arm of the American Civil Liberties Union called yesterday for Congress to probe charges that the Central Intelligence Agency conducted illegal operations inside the United States in an effort to influence U.S. policy in Central America.

The Center for National Security Studies said a probe by House and Senate intelligence committees should focus on published interviews with Edgar Chamorro, an official of the Nicaraguan Democratic Front (FDN), the largest of several U.S.-backed groups of rebels fighting the leftist government of Nicaragua.

Chamorro told The Washington Post and The New York Times that the CIA had instructed FDN leaders to misrepresent their policies in talking to members of Congress, in order to induce Congress to keep funding the rebel effort.

CIA officers arranged flights to Washington for the rebels, briefed them on members of Congress and advised them on the best lobbying approaches, Chamorro said in the interviews.

"If these reports are true, the administration's covert operation against Nicaragua . . . has resulted in an egregious covert interference with our domestic political process," center director Morton H. Halperin said in letters to the committees.

Sen. Daniel Patrick Moynihan (D-N.Y.), vice chairman of the Senate intelligence committee, wrote CIA Director William J. Casey last Friday asking whether Chamorro's charges are true and, if so, which members of Congress were targeted for lobbying.

A spokesman for the House Foreign Affairs Committee said yesterday that the issue would be included in hearings set for the first week in December on a CIA manual that advised the Nicaraguan rebels on "selective use of violence" to "neutralize" political targets.

INTERNATIONAL

President Reagan Getting Conflicting Advice About Foreign Policy, but Can He Choose?

STAT

By DAVID IGNATIUS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—After a year of drift and election sloganeering on foreign policy, President Reagan faces tough choices that will determine the course of U.S. foreign relations during his second term.

The bureaucratic battle for the president's soul already is under way, with the State Department and the Pentagon offering him sharply conflicting advice on major issues, from arms control to Central America. The basic debate is whether Mr. Reagan should try to be a peacemaker during his second term, following through on his campaign rhetoric, or return to the more confrontational policies that characterized most of his first term.

For the moment, Mr. Reagan seems to be leaning toward the non-confrontational State Department line. He began planning his second term foreign-policy strategy at a meeting this week with Secretary of State George Shultz and National Security Adviser Robert McFarlane, who have been trying to push Mr. Reagan toward better relations with the Soviet Union. Meanwhile, Pentagon hardliners continue to lobby behind the scenes against any softening of U.S. positions.

Painful Decisions

Setting a firm course will be painful for Mr. Reagan, who dislikes having to resolve policy disputes among his advisers. Indeed, he denied last week that there were any serious internal differences within the administration on arms control, saying: "I don't know where all this talk came from." (The "talk" comes from the president's own senior aides, who discuss the conflicts among themselves and with reporters.)

Some aides predict that Mr. Reagan will stick with this approach during the second term—ignoring internal conflicts or denying that they exist and thus risking muddled policy and continuing inter-agency disputes. But several senior advisers agree that if Mr. Reagan wants to leave a strong foreign-policy legacy, he will have to begin making hard choices soon. The key areas include:

—Arms control. Mr. Reagan has said that reviving talks with the Soviet Union would be his top priority during the second term. But he hasn't yet made clear, to either the Soviets or his own administration, what specific new proposals he wants to put on the table.

The bureaucracy is sharply divided on this question. The Pentagon argues that the U.S. should stick to its current positions until the Soviets offer concessions, while the State Department contends that the U.S. should take the initiative in trying to break the logjam by giving the Soviets a detailed summary of what it hopes to accomplish in so-called "umbrella talks" on arms control.

Some administration officials think that Mr. Reagan, despite his seeming tilt toward the State Department, has already backed the Pentagon on the most important foreign-policy issue of the second term: the Strategic Defense Initiative to develop space-based defensive weapons. By committing himself so strongly to this so-called Star Wars effort, some officials believe, Mr. Reagan may have lost any chance of winning reciprocal concessions from the Soviets on offensive nuclear weapons.

—Central America. The administration can't seem to make up its mind about the basic issues: whether it will tolerate the presence of a pro-Soviet Nicaragua in Central America and, if not, how to change the situation.

The State Department favors a combination of military pressure and negotiations, arguing that this will moderate the behavior of the Sandinista government and stop it from meddling in the region; but hardliners at the Pentagon and the Central Intelligence Agency don't trust the Sandinistas and urge military measures to suppress—and perhaps topple—the Sandinistas now, before they become entrenched as another Cuba.

These hawkish views, and the furor last week over the possibility that the Soviet Union might have sent MiG fighters to Nicaragua, are partly a reflection of the sharp inter-agency battle over what to do about Central America. One of Mr. Reagan's senior advisers agrees that "it's time to fish or cut bait," that the U.S. must decide soon whether it wants a negotiated settlement with Nicaragua or a military solution.

—Terrorism. The sides are reversed in this inter-agency squabble, with a hawkish Mr. Shultz favoring retaliation against terrorist groups and many Pentagon and CIA officials urging caution. But there is the same confusion over policy and a lack of clear guidance from the president.

—Personnel changes. Many officials agree that to mobilize his administration during the second term, Mr. Reagan should change some members of his team.

Some State Department officials think the president should drop Secretary of Defense Caspar Weinberger and his hard-line aide, Richard Perle, to ensure a united front behind arms-control negotiations with the Soviets. Administration hawks, however, would like to strengthen their hand by bringing Jeane Kirkpatrick, the outspoken ambassador to the United Nations, into the White House. Various senior officials would like to dump CIA Director William Casey.

But given Mr. Reagan's distaste for disciplining his subordinates and his corresponding tolerance for disorder, the second term may have the same cast of characters, and the same chronic infighting, as the first. Predicts one senior official who has been intimately involved in policy disputes: "My own feeling is that the president won't make any major changes. In the end, everybody will probably stay where they are."

CIA - NICARAGUA
BY ROBERT PARRY
WASHINGTON

STAT

A senior Senate Democrat and a branch of the American are calling for an investigation of the CIA's reported rebels on how to lobby members of Congress, an action that is an illegal domestic covert operation.

In a letter to CIA Director William J. Casey, Sen. D-N.Y., vice chairman of the Intelligence Committee, asked of Congress "targeted" for lobbying and "the characterization of members."

Moynihan said that "if substantially accurate, these charges reflect an invasion of the privacy of members of Congress and improper conduct about which the intelligence oversight committees of the Congress have to inquire."

In coaching rebel leaders on dealing with Congress, one CIA officer reportedly described Rep. Geraldine Ferraro, D-N.Y., as "very, very liberal" and "impressionable on religious issues."

The contents of Moynihan's letter, dated Nov. 9, were disclosed Thursday by a Senate aide, who spoke only on condition that he not be identified.

Meanwhile, in letters to the oversight committees and the CIA, the ACLU's Center for National Security Studies said Thursday that the alleged coaching would violate President Reagan's 1981 executive order on intelligence activities and a law requiring that Congress be notified of "significant" CIA actions.

The Reagan executive order bars the CIA from engaging in covert activities "intended to influence United States political processes, public opinion, policies or media."

CIA spokeswoman Kathy Pherson said the agency had no comment.

The CIA already is under congressional investigation for its role in producing a manual that advises Nicaraguan rebels in the "selective use of violence" to "neutralize" officials of the leftist Sandinista government.

According to one congressional source, House Intelligence Committee investigators began on Wednesday interviewing the mid-level CIA personnel who were disciplined by the spy agency in connection with the 90-page manual, entitled "Psychological Operations in Guerrilla War."

Several of the six punished officials have refused to sign papers accepting the discipline, claiming they are being made "scapegoats" to protect senior CIA officials, sources within the Reagan administration and Congress said.

Three of the officials were given letters of reprimand, two were suspended without pay and the manual's author, identified by the pseudonym John Kirkpatrick, was allowed to resign from his CIA contract.

The letters from Moynihan and the ACLU center cited a Nov. 1 New York Times article based on an interview with Edgar Chamorro, propaganda chief for the CIA-backed Nicaraguan Democratic Force, known by its Spanish initials FDN.

Hard-liners gain ground in battle over Latin policy

STAT

By James McCartney
Inquirer Washington Bureau

WASHINGTON — The hawks in the Reagan administration who privately advocate military action against the Sandinista government in Nicaragua have won the first round in the post-election battle for control of administration policy in Central America, congressional sources say.

Administration opponents on Capitol Hill are reading that message into a new round of bellicose statements and threats against Nicaragua by top administration officials.

The congressional sources say the administration appears to be moving toward direct military action and is seeking to build public opinion to support it.

Said one Democrat on the House Foreign Affairs Committee staff: "The hard-liners are looking for a provocation to bring those who oppose them into camp. They are trying to build a consensus for military

action in an administration that has been divided."

The premise of the Capitol Hill critics is that the furor over the threat of Soviet MiGs arriving in Nicaragua has been a carefully orchestrated effort by those who favor military action to create an atmosphere of crisis.

These critics believe that the advocates of military action planted the election-night news leak that a Soviet cargo ship that might be carrying MiGs was on its way to Nicaragua. The idea, they say, was to focus public attention on Soviet supplies to Nicaragua and force the administration to threaten a military response.

The administration has quietly let it be known for more than two years that it would consider a military response if Soviet MiGs appeared in

Nicaragua. But officials had kept the Soviet cargo ship secret, evidently not wanting to excite concerns about President Reagan's peaceful motivations on the eve of the election in which he was campaigning as a peace candidate.

As those on Capitol Hill see it, the plan to create a crisis succeeded, possibly beyond its proponents' wildest dreams.

The Nicaraguans themselves helped to contribute to a crisis atmosphere by ordering a nationwide alert. And administration spokesmen felt compelled to acknowledge that U.S. air strikes were a possibility if MiGs were discovered.

Theoretically, the crisis should have abated when it was determined that the Soviet ship was not carrying MiGs.

But on Tuesday, Pentagon spokesman Michael Burch changed the ground rules for possible American military action. He said a U.S. mili-

tary response might be necessary if Nicaragua attacked its neighbors, and he suggested that might well be what it was planning to do.

Burch also suggested that the United States might have to destroy Soviet-made helicopters that could be used against U.S.-supported insurgents, known as *contras*, who are attempting to unseat the Sandinista regime with military force.

Few observers were surprised that this new rationale for possible American military intervention came from the Pentagon. Several top civilian officials at the Pentagon are among the most ardent advocates of force to unseat the Sandinistas.

Well-informed administration officials say these advocates include Fred C. Ikle, undersecretary of defense for policy, who has strong allies among his immediate aides as well as in CIA Director William J. Casey and Constantine Menges, a former CIA official who is now on the

National Security Council staff at the White House.

The split on Central American policy in the administration has been between this group and a tough, but more moderate group centered in the State Department.

The difference in the views of the two groups was described some months ago by a high-ranking administration official who spoke on condition he not be quoted by name.

"I am quite confident that there are people in the government who believe that the day after the election we ought to clean up the matter in Nicaragua... to eradicate the cancer of communism in the region... with a major military operation," the official said.

He identified Ikle, Casey and Menges as among members of this group.

Members of this faction, he said, hold the view that the Sandinistas are Marxist-Leninists who are com-

mitted philosophically to the proposition that the communist revolution must be exported to other countries.

"As these people see it," the official said, "you can't solve the problem in Central America without removing the Sandinistas. ... You must go to the source. ... That doesn't mean Cuba, it means Nicaragua."

He said the other major faction in the government has been led by Secretary of State George P. Shultz, with National Security Adviser Robert C. McFarlane as an ally.

The official said this faction, although not ruling out military action as an eventual option, believes essentially that the Sandinistas might be contained by methods short of military action.

Reagan, the official said, has not sided clearly with either group.

But administration critics on Capitol Hill say the battle for Reagan's support now is under way.

ARTICLE APPEARED
ON PAGECHRISTIAN SCIENCE MONITOR
15 November 1984

STAT

US power struggle over Nicaragua

AS President Reagan prepares his second-term agenda, diplomatic, congressional, and other experts in Washington see a struggle going on within the administration over future policy in Central America.

In particular, they voice concern over "right-wing" pressures on the President from within his own administration to move forcefully against the Sandinistas.

According to one high-ranking Reagan administration official, these right-wing "hawks" now are greatly exaggerating the offensive nature of the weapons the Nicaraguans have received from the Soviets in an attempt to push Congress into restoring US aid to the anti-Sandinista *contra* rebels.

"The right-wing network in the administration," this official says, "wants to take advantage of the MIG scare to obtain a reformulation of US government policy along much harder lines."

The official specified as members of this "network": CIA director William Casey; Defense Secretary Caspar Weinberger; UN ambassador Jeane Kirkpatrick; Under-

secretary of Defense Fred Iklé; Iklé's assistant Nestor Sanchez; and, in the National Security Council, Latin American director Constantine Menges and Oliver North.

State Department and White House officials emphatically deny that the US has any plans to invade Nicaragua. But the administration has kept up its pressure against the Sandinistas. After the alarms over the possible introduction of Soviet MIG jet aircraft into Nicaragua proved unfounded, American officials have continued to express concern about the Nicaraguan military buildup.

The Pentagon this week said there was some "circumstantial evidence" to indicate Nicaragua may be planning to attack El Salvador or Honduras. And administration hard-liners have expressed especial concern about what US intelligence estimates say is a significant upgrading in the quality of Soviet arms shipments to the Sandinistas over the last year.

But the high-ranking administration official placed this upgrading in the context of increased US military

and economic pressure on Nicaragua. The current efforts to portray the East bloc arms coming into Nicaragua as offensive weapons, this official contends, are distortions intended to spur Congress not only to renew aid to the Honduras-based *contras* but also to boost it to a volume much greater than anything the US has given before.

"If the 'network' can persuade the American people that the Soviets are flooding Nicaragua with offensive weapons, they might swing things in Congress," he says.

The hard-liners had hoped, he says, that the MIGs would do this; but when there turned out to be no MIGs, they decided that "if they didn't have MIGs, they

would use helicopters" — even, he adds, if they were clearly helicopters that the Nicaraguans intended to use against the *contras* attacking them.

What the US administration hawks are trying to do now, this senior official says, is to "persuade the American people that everything is a MIG. They want to make them believe that helicopters with 210-mile ranges and the triple A batteries ringing the Managua airport are offensive weapons."

The official also charges that the US hawks have been effectively sabotaging the ongoing talks in Mexico between President Reagan's special envoy to Central America, Harry Shlaudeman, and Nicaragua's Vice-Minister of Foreign Affairs, Victor Hugo Tinoco. These talks got under way following Secretary of State George Shultz's surprise visit to Nicaragua in June.

"Shlaudeman has never been given the kind of negotiating instructions which would make serious negotiations possible," this official declares. The administration hawks "have been keeping him on a short leash."

The official also states that the main advocate of a more moderate stance within the administration is Secretary of State Shultz. At times, the official adds, Shultz has had the active support of National Security Council adviser Robert McFarlane. However, he says, McFarlane was basically not too interested in Central America, and all too often left matters to his assistants, Menges and North.

In the words of a congressional staff aide, "the problem is that the State Department talks one way but the right-wing people in the administration do something else. The indications are that the hard-liners in Nicaragua and the hard-liners in the administration are feeding on each other, and the President is fairly disengaged. And the conservatives will not accept any solution with Nicaragua that entails the continued existence of the Sandinista government."

Most US experts tend to doubt that the Sandinista leaders really believe the US will invade

Continued

ARTICLE APPEARED
ON PAGE 30CHRISTIAN SCIENCE MONITOR
15 November 1984**OPINION**

STAT

Switching national security advisers would weaken US hand

By Dimitri K. Simes

THE pressure from rightist ideologues is mounting to appoint Jeane Kirkpatrick national security adviser. This is a remarkably bad idea regardless of the foreign policy strategy that Ronald Reagan wants to pursue.

And he is on the record as having assured the electorate that during his second term he would seek to improve the United States-Soviet Union relationship — something that his United Nations ambassador has made a career of opposing.

The President is a man of broad strategic vision who is not known for attention to detail. Accordingly, the composition of his team is of particular importance. At this point, there are two somewhat loose coalitions competing for Mr. Reagan's soul. One consists of tough-minded pragmatists and includes Secretary of State George Shultz, National Security Adviser Robert McFarlane, Commerce Secretary Malcolm Baldrige, and White House Chief of Staff James Baker. Not one of them is a détenteist. None harbor illusions regarding the Kremlin's policies and intentions. None advocate unilateral concessions for the purpose of cajoling Moscow into civilized behavior.

But they and particularly their exceptionally competent and able lieutenants — Richard Burt at State, Lionel Olmer at Commerce, Richard Darman in the White House, and Jack Matlock on the National Security Council staff — know that the Soviet regime is not about to collapse and there is no alternative to dealing with it. Disregarding diplomacy would not only make the superpower rivalry needlessly emotional and explosive, it also would create a risk of alienating America's allies and polarizing domestic opinion. Only the Soviet Politburo would benefit from that.

On the other side are Defense Secretary Caspar Weinberger, CIA Director William Casey, and Mrs. Kirkpatrick. Their attitude toward Communist Russia is openly confrontational. Negotiations with the "focus of evil" are feared on grounds the Soviets would participate only to lull the West into a false sense of security. Cooperation with the USSR in that view represents a de-

plorable appeasement.

Where does Mr. Reagan stand? During his first term he refused to choose between the two sides. There was enough peaceful rhetoric and negotiating flexibility to keep the allies and the American public in line. But not enough was offered to the Politburo to encourage any accommodation. Diplomatic accomplishments were absent, but so were disasters.

Meanwhile, US power and self-confidence were being rebuilt. The Soviet Union was going through a period of external and domestic troubles. The administration could make a credible case that the situation in the US-Soviet relationship was not all that bad.

Replace Mr. McFarlane with Mrs. Kirkpatrick and chances are that ideology will prevail over pragmatism,

The United States national security formulation process, if dominated by anti-Soviet purists, will preclude the development of negotiable arms control positions.

zeal over prudence, simplistic clichés over an appreciation of complexity. Forget then about the second term becoming a period of opportunity to achieve some *modus vivendi* with Moscow.

The United States national security formulation process, if dominated by anti-Soviet purists, will preclude the development of negotiable arms control positions. The Kremlin will be bound to interpret the appointment as evidence that nothing can be accomplished with Mr. Reagan. That would discourage the Soviets from bargaining in good faith.

Some of the President's supporters would only be pleased if nothing comes out of talking to Konstantin Chernenko and his associates. And a case can be made that the nation can survive without a trivial pursuit of marginal limits on two huge nuclear arsenals. The trouble is that — notwithstanding the Soviets' angry response — there is also likely to be a backlash in Western Europe and in the United States itself.

The West Europeans by and large have welcomed Reagan's reelection, but they are not comforted by a rise in superpower tension. Credible negotiating strategy to-

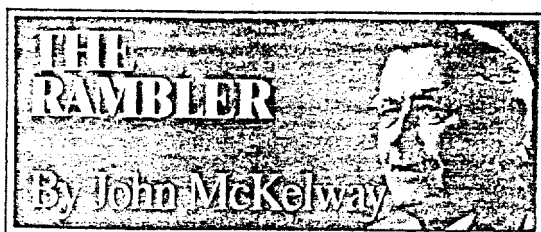
ward the Kremlin is a prerequisite for the alliance management. The right wing has contempt for the West European preoccupation with talking to the Russians.

But that is beyond the point. NATO is a coalition of democratic societies with their own interests, traditions and policy styles. To ignore them would be to invite a painful family dispute undermining Western cohesion vis-à-vis the Soviet Union. That much we should have learned from the fiasco over efforts to twist European arms in the dispute over the Siberian natural gas pipeline.

Continued

WASHINGTON TIMES
14 November 1984

STAT



Eavesdropper's delight, perhaps

William J. Casey,
Director,
Central Intelligence Agency:

I came across something rather unexpectedly the other day and I thought I'd pass it along to you.

I would think you might want to round-table it, perhaps, because by now I'm sure the same thought must have occurred to others who wonder what really goes on at the White House, particularly in the Oval Office.

My interest in Oval Office proceedings was stirred up once again a few weeks back when I was told through words and pictures that Andrei Gromyko had chatted with the president for an hour or so.

As of the moment, I have no idea what was said, although a transcript of the conversation would make fascinating reading and assist me — and others — toward a greater understanding of world affairs, Mr. Reagan and Mr. Gromyko.

Similar meetings between presidents and various heads-of-state do not become a part of history, apparently, for reasons I do not fully understand. All the public is ever told is that the talks went "smoothly" or that some "progress" was made in some direction.

Of course, you may have been at the very meeting I refer to. But even you, I would think, would wonder what was said in the Oval Office before you arrived and after you left. That's only natural.

Now, and I hope I have not taken too much of your time, I bought a copy of Time Magazine the other day to see how that particular publication felt about Mr. Reagan's recent victory and what it really meant. Time is always anxious to let me in on everything — except, of course, precisely what was said at the Gromyko-Reagan meeting.

Well, I had digested enough material and was flipping along at the back of the magazine in search of something on the lighter side.

In the "Living" section, I came across a piece about a Swedish ivy plant which rests on the marble mantelpiece in the Oval Office. The thing — it is replaced from time to time with a similar model — has been there since 1961 in the same spot.

The location of the plant would, I think, be of interest to you.

It rests just above and between the two chairs the President and the visiting dignitary use to sit down and talk, or whisper, or mumble, or whatever it is they do.

Says Time: "No other (plant) in history has been more photographed, more glimpsed in person by the world's high and mighty, more privy . . . to the portentous intimacies of world politics, than a certain Swedish ivy . . . that dwells deep inside the Executive Mansion."

A number of meeting pictures were printed and there was the ivy plant right above the chief executive at the time and Anwar Sadat, Golda Meir, Yitzhak Rabin, Josep Broz Tito, Helmut Schmidt, King Hussein, Ferdinand Marcos, the Sultan of Oman, Mohammad Zia-ul-Haq, Menachem Begin, King Fahd, Omar Torrijos, Hosni Mubarak, Margaret Thatcher, Yasuhiro Nakasone, Shimon Peres and our old friend Andrei Gromyko.

What really caught my eye was a picture of the plant itself. It is delightfully healthy and thick — sort of bushy. It holds up well, I learned, even with a fire in the fireplace below.

I probably read too many spy novels and, together with that unfortunate habit and my aching desire to know what goes on in the Oval Office, it occurred to me that the ivy plant was a marvelous spot to plant a — well, a listening device.

I could think of no one other than you to get the job done. I certainly can't get in there.

Since I admire the CIA most of the time, and just to be helpful, I thought I'd pass my observation along to you.

Of course, you might want to check to see if a bug isn't in there already.

Oh. It's the Time with Mr. Reagan's picture on the cover.

Good luck.

12 November 1984

Letter to Capitol Hill

CIA Director Casey defends his agency's controversial primer

After an 89-page CIA manual that instructed rebels in Nicaragua on terrorist tactics surfaced last month, the White House promised that any official involved in its development or approval would be dismissed. But in a letter to members of the House and Senate Intelligence committees that was made public last week, CIA Director William Casey insisted that the thrust of the manual had been misinterpreted, and he attempted to justify its overall purpose. "The emphasis is on education," Casey wrote, "not on turning a town into a battlefield."

The CIA manual violated the spirit of U.S. policy by advocating that the *contras* should "neutralize" local officials of the leftist Sandinista regime in Nicaragua. Casey, however, explained that the passage, along with one that advocated "shooting" informers, should be consid-

A misunderstanding arose, he said, when the word remove was translated as "neutralize" in the Spanish version. Asked how a person is removed from office without violence, Reagan said, "You just say to the fellow that's sitting there in the office, 'You're not in the office any more.'"

Despite the disclaimers, the manual again raised questions about whether Washington's support for the *contras* was designed merely to put pressure on the

Nicaraguan government to stop its support of the Salvadoran rebels, as the Administration claims, or to overthrow the Nicaraguan government, as critics charge. According to Casey, the CIA-supplied documents state that the aim of the *contras* "is the development of a democratic and pluralistic government in Nicaragua." Countered Republican Senator Charles Mathias Jr. of Maryland: "The policy implied is the overthrow of an established government."

The Intelligence committees of the Senate and House have been waiting for the CIA inspector general's internal investigation of the manual, which was ordered by Reagan Oct. 18. The White House announced last week that the agency's inquiry had been completed and sent to the President's Intelligence Oversight Board for review, but officials would not say when it might be submitted to Congress.

California Democrat Norman Mineta, a member of the House Intelligence Committee, complained that the CIA would not allow his group to question the man believed to be the author of the manual, who was described by the Administration as a "low-level" operative on contract to the CIA. "We know who he is, and the CIA knows where he is," said Mineta, who maintains that the agent is still employed by the CIA.

Republican Malcolm Wallop of Wyoming, one of the few Senators to have studied the manual in detail, came to the CIA's defense. He explained that the document had been drafted as part of a larger effort to curb indiscriminate killings among some rebel factions. Indeed, parts of the manual dwell on improving the *contras'* relationship with Nicaraguan peasants, stressing peaceful persuasion over violence.

Contra leaders admit their guerrillas had been guilty of abuses and atrocities. Edgar Chamorro, a *contra* director now living in Key Biscayne, Fla., says one rebel field commander, known as El Suicidio, led his troops on a rampage in the spring of 1983, murdering peasants and raping women. Chamorro said last week that *contra* leaders arrested El Suicidio and some of his men last year and executed them after a court-martial.

Chamorro, however, denied that the main purpose of the manual was to help the *contras* discipline themselves. He claims that he was recruited in 1982 by CIA agents who promised a new regime in Managua "within a year." A Harvard graduate and onetime Jesuit priest, Chamorro was selected by the CIA to act as his rebel group's chief spokesman and was paid a \$2,000-a-month salary to help lobby Washington for support.

Chamorro, who is now at odds with other *contra* leaders still operating out of Honduras, complains bitterly that the CIA provided war-worn AK-47s and leaky wooden punts so ancient the *contras* nicknamed them the "Phoenician navy." Chamorro felt not only shortchanged but oppressively dominated by the American operatives. "Their insatiable appetite for control," he stated, "has almost brought this movement to the brink of disaster."

American operatives in the region were as susceptible to corruption as rebel officers, one *contra* leader told TIME last week. Some CIA agents were buying boots for the *contras* at \$13 a pair and invoicing them at \$26. When an Argentine officer involved in training the *contras* attempted to smuggle evidence of such markups out of Honduras, he was stopped at U.S. customs in Miami and the documents were removed from his baggage. More ominously, according to *contras* and State Department officials, two chief CIA operatives in Honduras were fired earlier this year after they were belatedly discovered to be Cuban agents. The counterspies, both Cuban Americans, had once worked for the CIA (one was in the team that



Casey: "The emphasis is on education"

ered in context. "It is important to note," his letter read, "that these passages are in the context of occupying a community and dealing with a situation in which actual or potential resistance remains."

President Reagan, campaigning Saturday at John Wayne's birthplace in Winnetka, Iowa, took the Administration defense one step further. Said he: "I think you're going to find that it was all a great big scare and that there was nothing in that manual that had anything to do with assassinations or anything of that kind."

CONTINUED



Chamorro: "The brink of disaster"

tracked down Che Guevara in Bolivia). Two intelligence sources vehemently denied the charge and said that though there were changes in key operatives, the purpose was to install more experienced CIA employees.

Nevertheless, such revelations sharpened the dispute about Administration policy. Critics maintain that rifts over the *contras* have deepened within the intelligence community. "Some of the best people in the CIA stepped back and said it [the covert aid] is just not going to work," says a member of the Senate Intelligence Committee, Democrat Patrick Leahy of Vermont. Citing the agency's failure to halt the arms flow, reform the Sandinistas, or remove them from power, the Senator concluded: "You suddenly realize that we've got a multimillion-dollar covert action down there and every single objective is unattainable."

—By Alessandra Stanley.
Reported by Martin Casey/Miami and Ross H. Munro/Washington

NEW YORK TIMES
12 November 1984

STAT

ABROAD AT HOME

Anthony Lewis

The Buck Doesn't Stop

BOSTON

A secret agency that carries out war, murder and sabotage on the orders of the President is fundamentally incompatible with a republican system of government. So we are forced to conclude when we see how the system has dealt with the disclosure that the C.I.A. prepared a terrorist manual for Nicaraguan rebels.

After the outcry nine years ago over C.I.A. assassination plots — the Rockefeller Commission report, the Church committee hearings — a series of safeguards was created to prevent such abuses. Internal checks in the agency itself were strengthened. The President issued an executive order specifically forbidding assassinations. House and Senate intelligence committees were established as watchdogs.

All those mechanisms have labored in the affair of the Nicaragua manual, but what have they accomplished? The end result is that American officials who counseled murder have been tapped gently on the wrist. And there is no real check on the dirty business of American-sponsored terrorism.

We have been shown conclusively that the basic principle of republican government — the principle of accountability — does not apply to the underside of our government. There is no effective way to pin down responsibility for a policy of terror that belies our premises as a people.

The story of the instruction book for the contras would be comic if it were not so serious. For it has produced a series of po-faced men affirming solemnly that the moon is made of Camembert and that they would never think of harming a hair on the head they were trying to chop off.

That we in the press and the public expressed shock at the manual was itself ironic. After all, the contras have been carrying out murders and kidnappings for a long time now. And it is no secret that they were financed, trained, organized by the C.I.A.

Everything that followed reflected this underlying incongruity. All those in the supposed system for preventing C.I.A. abuses deplored the idea of murder while winking at the reality that murder is inherent in the C.I.A.'s Nicaraguan operations. And so there was a series of charades.

The Director of Central Intelligence, William Casey, is known to all as an enthusiast for covert operations in general and the contra operations in Nicaragua in particular. But he could hardly come out openly as an advocate of murder. So he wrote a letter to Congress saying the terrorist manual was really intended to make the contras persuasive in "face-to-face communication."

President Reagan before the election spoke sternly about the manual, saying in his second debate with Walter Mondale that those who put it out "will be

removed." But on the day after the election the President said the manual's passage urging Nicaraguans to "neutralize" Sandinista officials was not after all a call for murder.

What was really meant by "neutralize," Mr. Reagan said, was this: "You just say to the fellow who's sitting there in the office, 'You're not in the office anymore.'" When I read that, I wondered whether any of the reporters at the Reagan press conference was rude enough to laugh out loud.

Then the C.I.A.'s inspector general found that the author of the manual had not been aware of Mr. Reagan's 1981 executive order against assassinations, and that senior officials had approved it without paying close attention because they were busy. So he recommended that a few officials be lightly punished. The President agreed.

That tap on the wrist outraged Senator Daniel Patrick Moynihan, vice chairman of the Senate Intelligence Committee. He called the inspector general's report "appalling," saying it denied that the manual counseled murder "when of course that is exactly what they meant."

Senator Moynihan's outrage was impressive, but alas it was flawed. For he was a key figure at one stage last year in persuading the Senate to vote more money for the contras. He accepted assurance from President Reagan that there was no intention of trying to overthrow the Nicaraguan Government — assurances that mocked reality.

We have an ultimate safeguard in our democracy, but that one too has ceased to function here. The courts are supposed to keep officials inside the limits of law. But the current Supreme Court has signaled that C.I.A. operations are too sensitive to be monitored by judges.

The result is that a country of laws, not men, has a secret government beyond the law. The C.I.A. is not a rogue elephant, as some used to say. It is an instrument of the President, with all the dangers of unaccountable power. □

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NEW YORK
12 November 1984

INTELLIGENCE

STAT

Top Reagan Officials Mulled P.R. Value of Korean Air Crash

JUST HOURS AFTER THE downing of Korean Air Lines Flight 007, administration officials are said to have discussed "exploiting" the incident against the Soviet Union—even though it wasn't known then if the plane was destroyed deliberately.

According to an intelligence source, Secretary of State George Shultz; Lawrence Eagleburger, then undersecretary for political affairs; Richard Burt, then State's political-military director; CIA chief William Casey; National Security

Adviser William Clark; and presidential counselor Ed Meese decided in a video conference that the incident could be used to quell European opposition to Pershing missiles.

Shortly after that discussion is supposed to have taken place, Eugene Carroll, a retired rear admiral who is deputy director of the private Center for Defense Information, was with Burt and Malcolm Toon, the former ambassador to Moscow. "They were saying, 'We've got 'em.' Burt's position was that we were going

to extract our measure of value out of the thing," Carroll told *New York*. "We didn't know then, and we still don't know, whether the Soviets knew it was a civilian airliner, but there was this predisposition to look for buttons to push and levers to pull, to back up the thesis of an evil empire."

A State Department spokesman had no comment for the record. But a source close to Burt denied any desire at the department to exploit the crash. There had been talk of contacting U.S. embassies in

Europe to gauge "if there had been any reaction over there," the source said, but even that was nixed, "because it was thought it would be unseemly."

The source said he personally knew of only one other similar discussion: "There was a White House meeting at which someone in this administration from the right-wing side wanted to get a P.R. guy in to mount a Madison Avenue-style campaign," he explained. "He was courteously listened to, but the idea disappeared without a trace."

ARTICLE APPEARED
ON PAGE 16

CHICAGO TRIBUNE
11 November 1984

STAT

AND NOW...

By Raymond Coffey
and Storer Rowley

WASHINGTON—"Where's the rest of me?" Ronald Reagan asked in the famous Hollywood movie line that he adopted as the title of his autobiography. Reagan said it in the film "King's Row" as he awakened after having both legs amputated. "Where's he leading the rest of us?" is the question now as Reagan heads for a second term in the White House on the strength of one of the greatest political victories in American history.

The answer from the White House is that there will be no change in the conservative course.

And, at least in the beginning, there won't be any major change in the cast of leading players in the administration, White House officials say.

Politically, Reagan became a lame duck the minute his triumph was sealed Tuesday. He cannot run again, and that always diminishes a president's political clout.

BUT IN CONGRESS and elsewhere, politicians and special interests will have to be mindful, at least in the early going of the second term, of the powerful vote of confidence that

☆ ☆ White House

Reagan won last week and the influence that gives him in the public-opinion arena.

Reagan, at 73 already the oldest president, saw his reelection not as an ending but as a beginning. "Tonight is the end of nothing," he said Tuesday. "It's the beginning of everything."

His top priority in the new term, he said, "of course, is peace—disarmament and the reduction in the world of nuclear weapons."

That would represent at least some shift of emphasis from the first term, when Reagan concentrated on cutting taxes, slashing spending on federal programs and embarking on a massively expensive military build-up.

On the domestic front, Reagan said he would pursue again what he calls the "prairie fire" of his conservative "revolution." The "passion of the fire that we kept burning for two decades doesn't die just because four years have passed," he said.

HE STILL THINKS that expanded economic growth can in a large way help cure the staggering federal deficit created under his administration.

Reagan also will seek "further reductions in federal spending," according to James Baker, White House chief of staff. But in the view of most officials, there is not much left to be cut that could put a real dent in the deficit.

The President insists that he will not raise taxes but will push for a simplification of tax laws—a process that could, again in the view of many doubters, end up being a tax increase even if it isn't called one.

As for staffing in a second term, Baker said Reagan does "not want to break up a winning team." Baker said that

Reagan thinks "most of the people want to stay." But on Thursday, Education Secretary Terrel Bell became the first Cabinet member to decline a second term, announcing he will resign Dec. 31. He cited "personal reasons" and his financial future. Bell said he will return to his home in Salt Lake City to become an education professor at the University of Utah.

AND SOME TOP White House officials, starting with Baker himself, and some Cabinet members and other leading players, such as United Nations Ambassador Jeane Kirkpatrick, are known to be restless and talking about leaving the administration or switching jobs.

Baker and other White House officials say they don't expect any top-level exodus to begin for at least the first few months of the second term.

However, Agriculture Secretary John Block, an Illinois farmer, is among those expected to depart. Samuel Pierce, secretary of the Department of Housing and Urban Development, also may be moving on. Pierce has been almost invisible in the first term, to the point that Reagan once addressed him as "mayor."

MARGARET HECKLER, secretary of the massive Department of Health and Human Services, has been difficult for many in the administration to work with, a White House official said, and it is unclear whether she will stay.

At the top of the Cabinet, Secretary of State George Shultz definitely wants to keep his job, according to a senior White House official, and Treasury Secretary Donald Regan is expected to stay on at least through the tax simplification struggle.

ARTICLE APPEARED

PAGE D-7

WASHINGTON POST
11 November 1984

STAT

Joseph Kraft

Engaging the Russians

"It's time for us to get together," President Reagan said about the Russians on the morrow of his landslide. The day before he listed as the first priority for a second administration, "peace, disarmament."

But are the Russians ready to deal? And if they are, is the Reagan administration equipped to take "yes" for an answer?

The communist world now presents a spectacle of multifold confusion. In Moscow, signs of pushing and shoving among leaders show through the blanket of party unity. General Secretary Konstantin Chernenko has recovered from a period of illness and is now moving to assert his primacy. He has been holding open the door for an accord with this country on any one of several areas of arms control.

Foreign Minister Andrei Gromyko has been less forthcoming, though not entirely negative. His supposed ally, Defense Minister Dmitri Ustinov, missed the celebration of the Bolshevik Revolution in Moscow Wednesday—apparently because of an illness, which is serious. The second secretary and heir apparent to Chernenko, Mikhail Gorbachev, has been bouncing around in leadership lineups, and is plainly vulnerable. His chief rival, the Leningrad boss Grigory Romanov, is thought to favor toughing it out against the United States. He seems to be in alliance with Nikolai Ogarkov, the former chief

of staff who was recently dismissed, perhaps to close off the possibility of his succeeding Ustinov as defense minister.

A gauge of the trouble is that many countries that rely on Russia are now looking for side deals. The North Koreans are talking about talking to the Japanese and South Koreans. Vietnam gives signs of coming to terms with China. The leaders of Angola hint at expelling a contingent of Cuban soldiers if South Africa comes to terms.

The East Germans are making eyes at the West Germans. The guerrillas in El Salvador have opened talks with the government. The Sandinista regime in Nicaragua accepted the peace terms proffered by the Contadora countries, Mexico, Panama, Colombia and Venezuela.

So the correlation of forces, as the Russians like to put it, is favorable. Reagan is right in thinking Moscow has an incentive for coming to terms. But elaborate Soviet suspicion and a habit of exploring every overture as a weakness make cutting a deal with Moscow very hard. So there arises the question of whether the Reagan administration is up to the task.

One problem is that highly placed members of the administration—for good or bad reasons—oppose an arms control accord, or have other priorities. A current case in point is the Central Intelligence operation of harassment against Nicaragua.

As part of that operation, there have been regular overflights of Nicaraguan territory. The natural response of the Sandinistas is to ask the Soviets for air support in the form of MiG fighters. The Soviets have a tough time refusing. So if the president wants to head off a crisis in Nicaragua that would spoil deals with Moscow, he has to check the zealots in the CIA.

Another kind of problem arises from personal rivalries inside the administration. Last week, for example, saw the floating of a story about possible appointment of a czar to deal with all arms control questions for the president. Presumably the purpose of the leak was to show that Reagan's commitment extended to the point of reining in such skeptics as Defense Secretary Caspar Weinberger and the CIA boss, William Casey. But the leak came from James Baker, the White House chief of staff, who is himself looking for a new job in the second Reagan administration. Among those said to be under consideration for the post of czar, Baker mentioned the president's national security adviser, Robert McFarlane. The end result is that Weinberger and Casey dig in, McFarlane's role is confused, and Baker looks as though he's trying to get McFarlane's job.

Then there is the president's own sense of the realities. He has repeatedly evinced a less than complete grasp of arms-control. A good

instance lies in the "Star Wars" project for a defense against nuclear weapons. A feint in that direction may be necessary for the purposes of a trade with Moscow. But if Reagan goes all-out for such a defense—as he frequently seems to be doing—then he will queer any deal, by forcing the Russians to move in the same direction.

Thus there are banana peels aplenty between wanting to do a deal and actually bringing it off. Only the president himself can clear the way. And to open the path, a first step might well be personal contact at the summit level. But further steps entail according absolute confidence to some advisers over others. Specifically Reagan will have to give the nod to Secretary of State George Shultz and McFarlane. He will have to turn a deaf ear to such close associates as Weinberger and Casey.

Unfortunately, that is the kind of choice Reagan finds distasteful. He has never made it before, and he cannot delegate it. At his post-electoral news conference Wednesday, he even asserted that "we don't have a conflict within the administration" on arms control. So to seize the moment that beckons on arms control, the president will have to develop a much sharper sense of the realities. Indeed, he will have to surpass all his previous

Second term, second team?

WASHINGTON, DC

When President Nixon won re-election in 1972 he fired, in effect, his entire cabinet. He demanded everybody's resignation before reinstating the members he liked. President Reagan's re-election heralds nothing as dramatic. Practically all the senior members of the administration are ready to soldier on. And Mr Reagan, whose loyalty to colleagues sometimes seems excessive, is not about to remove them.

Only at the bottom of the cabinet are fast departures likely. Legal troubles facing Mr Raymond Donovan, the labour secretary, may ensure his removal, which was half accomplished some weeks ago when he took leave of absence to answer criminal charges. Among others who may depart are Mrs Margaret Heckler (health), who has irritated White House insiders, and Mr Samuel Pierce (housing and urban development), a black lawyer who has been criticised as lightweight. There is a question too about the future of Mr John Block at agriculture. Cabinet officials higher up seem to have dug themselves in.

Mr William Casey at the Central Intelligence Agency is vulnerable, but that is habitual with him. The president's extraordinary reluctance to get rid of old friends should shield Mr Casey from criticism, much of it from congress, over his style of leadership and his agency's activities in Central America. The stay-put sentiment extends to Mr James Baker, the sensible and efficient White House chief of staff, who has been vowing for at least a year to give up his exhausting job as soon as his boss was re-elected. Moderate Republicans who worry about Mr Reagan drifting into deeper conservatism in a second term should be pleased that Mr Baker appears ready to forget his pledge for a time in the interests of overseeing a new Reagan legislative programme.

There is no sign that the president has reconsidered his choice of Mr Edwin Meese as attorney-general, despite the reluctance of the last congress to confirm him. Mr Meese's likely renomination suggests that the so-called "sleaze fac-

tor"—the question-mark over personal financial practice that came to settle on Mr Meese and quite a few other Reagan appointees—will not particularly bother the president from now on.

Curiously, the lack of movement at the top of the administration serves to intensify the rumours of change. Interest centres on the future of the most prominent players: Mr George Shultz, the secretary of state, and Mr Caspar Weinberger at the defence department. Mr Shultz's untheatrical stability has not yet landed him the foreign-policy triumph he is said to long for. He intends to plod towards this elusive goal. He is aware, meanwhile, that Mr Weinberger, looking for a change after his years of promoting the Reagan arms build-up, would like his job.

This delicate rivalry is complicated by the ambitions of Mrs Jeane Kirkpatrick, the hawkish ambassador to the United Nations. She wants to leave her relatively unimportant job. The conservative lobby which supports her would ideally like to see her at the state department or at the White House as national security adviser. Her advance seems unlikely—and not merely because neither Mr Shultz nor Mr Robert McFarlane, the present unassuming national security adviser, appears ready to move. Mr Reagan's White House aides, doubtful about the ability of the opinionated Mrs Kirkpatrick to hit it off with congress, would still like to keep her at arm's length even if they cannot keep her as far away as New York.

Neither Mr Shultz nor Mr Weinberger has mastered the complex tactical logic of arms control. They tend to rely on assistant secretaries: on Mr Richard Burt, the head of European affairs at the state department, and Mr Richard Perle, the redoubtable nuclear pointman at the Pentagon. In what Washington calls the battle of the two Richards, Mr Burt is clearly more willing to be flexible with the Russians than is Mr Perle, who has come to be regarded, perhaps too simply, as anti-arms control. An unmistakable sign of Mr Reagan's intent to deal

with the Russians would be the early departure of Mr Perle, which is far from certain. Another indication of the president's frame of mind would be the appointment of an arms-control "czar" to break the negotiating deadlock. The name of Mr Brent Scowcroft, who dealt with arms control under Presidents Ford and Carter, is often mentioned.

On the economic front, Mr Donald Regan is currently immersing himself so deeply in tax reform that everybody believes he has the president's consent to stay at the treasury. Mr Regan is no financial mastermind but he has encouraged, through thick and thin, the president's refusal to increase income taxes as a means of reducing the federal deficit. He has further ingratiated himself by outdoing all other cabinet officers as a fund-raiser for the Reagan re-election campaign. If there is any surprise on the economic side it is that the official who shoulders the administration's most thankless task, Mr David Stockman, the sharp-minded budget director, has apparently conquered his misgivings about staying on and will remain until at least mid-1985.

The shock that might set off an economic chain-reaction would be the departure of Mr Paul Volcker, the chairman of the Federal Reserve Board. Some Reagan officials predict that Mr Volcker, the inflation-slayer and the St George of Wall Street, will resign in the spring rather than continue until the end of his term in 1987. He is no bosom friend of Mr Reagan, who reappointed him only after much hesitation. If he went, either Mr Regan or Mr Shultz might move to the Fed. That would open up a cabinet post of the calibre sought by Mr Baker, whose transfer would bring into the open a succession struggle already under way at the White House.

Mr Michael Deaver, a Baker ally and Reagan family confidant, seems to be pitted in the battle for the number-one White House job against Mr William Clark, another original member of Mr Reagan's California mafia who helped his boss out last year by taking over the job of interior secretary from the imprudent Mr James Watt. Even Mr Weinberger's appetite for a change could perhaps be satisfied in such a general upheaval.

ARTICLE APPEARED
ON PAGE A-1WASHINGTON POST
10 November 1984

Kirkpatrick Poses Personnel Problem

A Reagan Favorite, She Faces Resistance for NSC Post

By John M. Goshko
Washington Post Staff Writer

President Reagan is determined to keep U.N. Ambassador Jeane J. Kirkpatrick in his administration, although that would confront him with a thorny personnel problem because of strong indications that the only job she will accept is national security affairs adviser.

Any attempt to put her in the National Security Council post now held by Robert C. McFarlane would prompt strong opposition from Secretary of State George P. Shultz and White House chief of staff James A. Baker III, who last year thwarted efforts by conservatives to have her take over the pivotal policy-making position.

Senior administration officials said yesterday that a decision on Kirkpatrick's status was unlikely before December and that Reagan

probably would seek first to convince her to take some other job.

But, they added, Reagan's regard for Kirkpatrick is so high and the pressure from Republican conservatives to retain her services so strong that the idea of giving her the security adviser's post has not been ruled out.

The officials were vague about how this could be done without creating an uncomfortable working relationship between her and Shultz and Baker.

Some sources suggested the possibility of a compromise under which Shultz would agree to her installation at the NSC if administration moderates led by Shultz were compensated with control over a new White House post with responsibility for arms control.

Determined to leave the United Nations, Kirkpatrick has made clear that she would

like a major policy-making post, and sources familiar with her thinking said the NSC job is the only one she is likely to accept. A senior White House official, discussing Kirkpatrick's status yesterday, said: "We hope to hold on to her. She's a giant intellect."

Admiration among Republican conservatives for her feisty views moved toward adulation after her nationally televised performance at the Republican National Convention last August, when she cut her last

ties to the Democratic Party by blaming the Democrats for "the dismal period of retreat and decline" in America's world position.

The conservatives regard Kirkpatrick as crucial in the administration's internal balance of power and as an ally of such combative figures as Defense Secretary Caspar W. Weinberger, Central Intelligence

Agency Director William J. Casey and former national security affairs adviser William P. Clark, now secretary of the interior, against the more moderate wing of Shultz and Baker.

Despite this lavish praise, Kirkpatrick's celebrated feistiness and intellectual convictions have raised questions about whether she could work effectively in harness with Shultz and Baker, who both apparently will continue in office.

That is why Kirkpatrick has told friends on several occasions: "If you were to ask me where I'll be next February or March, I'd say it's most likely that I'll be in the south of France on leave from Georgetown University [where she is a professor of government] writing a book about the United Nations."

The sources said her interest in becoming national security affairs adviser stemmed not from vanity or ambition but the conviction that

after four years in the high-visibility U.N. job, it is the only position, except for the unattainable position of secretary of state, where she could effectively continue to press her views.

According to the sources, she believes that if she took a lesser job, it would be perceived as a demotion

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with serious negative consequences for her influence.

Despite strong backing from administration conservatives, Kirkpatrick failed to win the national security affairs post a year ago when Clark vacated it. At that time, she was defeated by the strong opposition of Shultz and Baker; and she is still bitter about what she considers unfair rumors about her ambition during that battle.

Regarding the possibility of taking another job, Kirkpatrick, who has maintained public silence about her plans, yesterday said in a telephone interview:

"Sometime in late December after the U.N. General Assembly is concluded, I expect to sit down with the president and make my report to him. I will tell him that I'm prepared to stay on at the U.N. into next year until my successor has been picked and there has been an orderly succession.

"But I will also make clear that I'm not unhappy about the prospect

of returning to private life. As to staying in government, I would do so only if the president persuaded me that there was an opportunity to make a significant contribution to his administration in the foreign affairs field."

There have been suggestions that she might be named ambassador to France or Israel or be given a specially created post as adviser to the president.

This week, there also were rumors that she might replace Casey at the CIA.

However, the sources familiar with Kirkpatrick's views said she regarded most of these proposals as attempts to push her out of the policy-making mainstream. Sources said some administration officials had made a concerted effort to convince Kirkpatrick that she would be an ideal replacement for Evan G. Galbraith at the U.S. Embassy in Paris.

The sources also said Kirkpatrick regarded the rumors about the CIA

Washington Wire

A Special Weekly Report From The Wall Street Journal's Capital Bureau

REAGAN'S TEAM faces partial reshaping during the second term.

White House Chief of Staff Baker may move to a new post, if the right spot can be found. Baker is said to show interest in replacing Casey as CIA director. Jeane Kirkpatrick is eager to leave her U.N. post but is cool to suggestions of an ambassadorship or the top USIA job. EPA administrator Ruckelshaus is likely to quit government within a year unless offered a choice cabinet post.

Treasury chief Regan stays on mainly to oversee an income-tax overhaul; if it is shunted aside, he may leave. Budget Director Stockman remains on the job for now to see next year's budget through Congress; he could bow out afterward. Sure departures: HUD Undersecretary Abrams, State Department spokesman Hughes, as well as Education Secretary Bell.

Federal Reserve Chairman Volcker may step down before his term expires in 1987—possibly sometime in 1986.

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DANIEL P. MOYNIHAN
NEW YORK

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Executive Registry

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84- 9914

United States Senate

WASHINGTON, D.C. 20510

November 9, 1984

Dear Mr. Director:

On November 1, Joel Brinkley of the New York Times reported an interview with Edgar Chamorro of the Nicaraguan Democratic Force. Mr. Chamorro said it was a routine for CIA officers to arrange visits between FDN officers and members of Congress and for the FDN officers to be briefed on characteristics of those members and what to say to them.

Mr. Chamorro noted, for instance, that he was told by a CIA agent that Representative Geraldine Ferraro was "very, very liberal" and "impressionable on religious issues." The full passage is as follows:

Visits to Capital Recounted

Agency personnel frequently arranged for rebel officers to fly to Washington, where they would visit members of Congress "to lobby," Mr. Chamorro said. "They would tell us which senators and congressmen to see and what to say," and the CIA officers would brief the rebels when members of Congress came to Honduras on fact-finding trips.


Mr. Chamorro, who frequently consulted old appointment books to refresh his memory as he talked last week, pointed to one page where he had noted a CIA agent's briefing on Representative Geraldine Ferraro, who was planning a trip to Honduras last spring.

The notation said: "Very, very liberal" and "impressionable on religious issues."

If substantially accurate, these charges reflect an invasion of the privacy of members of Congress and improper conduct about which the intelligence oversight committees of the Congress have to inquire.

Are the charges substantially accurate? Were officers of the FDN directed to meet with members of Congress and coached beforehand? If so, please furnish a list of the members of Congress targetted for such meetings and the characterizations made about these members.

Sincerely,


Daniel Patrick Moynihan

Honorable William J. Casey
Central Intelligence Agency
Washington, D.C. 20505

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>REAGAN/CABINET>JENNINGS: George Will is with us tonight from Washington.

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>2>George, you have heard Sam's report. Let me ask you if you see any particular personnel problems at the White House. WILL: Well, they have a kind of gridlock in Washington, I'm afraid, Peter. To begin with, Jim Baker, who served a long time in a very grinding job, would probably like to run something of his own, possibly the CIA. But Bill Casey, who differs with Mr. Baker on a number of issues, would probably stay at the CIA just to block Jim Baker. Jeane Kirkpatrick has been at the U.N. four years. Lord knows she's suffered enough. She might like Bud McFarlane's job and Bud, some people say, would like to be ambassador to Israel.

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JENNINGS: What do you mean, 'She's suffered enough?'

WILL: Sitting at the U.N. as the United States' representative, listening to Third World rhetoric for four years is enough to drive anyone batty, frankly.

WASHINGTON TALK

Briefing

STAT

Rumors and the C.I.A.

To rumors that he is being considered for Deputy Director of Central Intelligence, Lionel H. Olmer, Under Secretary of Commerce for international trade, said, "No offers have been made, much less accepted." Mr. Olmer, formerly in Naval Intelligence, is a friend of William J. Casey, the Director of Central Intelligence. The rumors may have been prompted by Mr. Casey's acceptance of an invitation to attend Mr. Olmer's 50th birthday party next Sunday. Mr. Olmer's wife, Judy, is a C.I.A. employee.

James F. Clarity
Warren Weaver Jr.

WASHINGTON TIMES
8 November 1984

STAT

ARNOLD BEICHMAN

What next for Jeane?

Amidst all the rejoicing over President Reagan's re-election, it would be a rather somber, even querulous note.

What's going to happen to that great lady who has graced the Reagan administration for the last four years, Dr. Jeane Kirkpatrick?

As the U.S. ambassador to the United Nations, she fought the Soviet Union and its surrogates with a moral dedication not seen since the days of Daniel Patrick Moynihan, who held the same post until he was fired by President Gerald Ford and Secretary of State Henry Kissinger.

What will be Jeane Kirkpatrick's reward in the next four years? Exile? That is, back to the U.S. mission at the United Nations? She has told friends she will not accept that assignment again. Enough is enough.

Arnold Beichman, a visiting scholar at the Hoover Institution, has covered the United Nations as a foreign correspondent.

Well, how about National Security Adviser to the president in the event the incumbent, Robert McFarlane, leaves for another administration post? Not a chance. Secretary of State George Shultz would probably resign rather than see Jeane Kirkpatrick take a job so close to the presidential ear.

How about secretary of state? Great idea, but Mr. Shultz isn't resigning.

How about director of Central Intelligence, the post now held by William F. Casey? Fine, but Mr. Casey isn't resigning either. President Reagan has a lot of confidence in Mr. Casey. It will also be Mr. Casey's opportunity in the next four years to see if he can overwhelm the CIA

bureaucracy, which has hamstringed the agency in fulfilling presidential directives. It is even possible that the CIA No. 2 man, John McMahon, may retire in due course. Anyway, CIA is out.

State is out, the NSC post is out. What's left?

Replace Secretary of Labor Ray Donovan in the second Reagan administration? Not a chance.

So here is Jeane Kirkpatrick, who has fought the good fight for the president and for America, with no place to go except back to academic life, which is where she came from. It's not a bad life for her, but how about her admirers, those like me, who think that for Jeane Kirkpatrick to be forced out of the administration would be America's loss?

Right now, she is part of a triumvirate headed by Defense Secretary Weinberger, and including CIA

Director Casey, which is unyielding in its opposition to making any kind of deal with Daniel Ortega's Marxist-Leninist dictatorship over Nicaragua. Opposing the Weinberger-Casey-Kirkpatrick troika reportedly are Secretary of State Shultz, Robert McFarlane, and Langhorne Motley, assistant secretary of state for Latin America, who keeps coming up with "draft treaties" one after another for Nicaragua.

For anyone who follows the struggle for power in Washington, at the core of which is always a struggle for the soul of the president, the departure of Jeane Kirkpatrick would be a triumph for those who want President Reagan to confine his comments about "evil empires" only to South Africa and Chile and to be kind to the Soviets.

The next four years will be among the most critical in the nation's history, because Soviet power and audacity is growing, while its economy approaches what would appear to be a disastrous climax. President Reagan will need all the help he can get, and he has no more loyal friend and admirer than the lady who is made of the same stuff as Margaret Thatcher.

The country and, indeed, the Free World can't afford to lose Jeane Kirkpatrick. It's up to President Reagan.

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WASHINGTON TIMES
7 November 1984

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DIANA HEARS

CAUSE-AND-EFFECT CORNER . . . Ear's popping with pride to hear that its announcement of their probable hitching a month or so ago may have helped tip the scale to the impending nuptials of Maury Povich and Connie Chung. It is happily wrapping a kosher wok. And it's sort of hoping the same thing happens with Bill Colby, former CIAmeister, and Sally Shelton, former Ambassador to Barbados. After he's Officially Divorced, of course.

APOCKETFUL OF RUMORS . . . And nobody believes for a *minute* that there'll be no Major Changes at the White House with a second Reagan administration, as so boldly predicted in assorted Organs. Within six months, said yesterday's Better Rumor Round, we'll see Jim Baker out, maybe running the CIA; Bill Casey Out, running his life; Mike Deaver enfolded to the bosom of the Burston-Marstellar flackerie; Nancy's staff chieftain Jim Rosebush off to the Private Sector; Nick Ruwe, former Nixon-in-exile staff chieftain, heading a White House section; Jim Lake, campaign pressperson, crowned White House Communications Director; David Stockman, after shepherding his budget through Congress, beginning his own big-time biz; and a handful of Cabinet biggies scrambling to replace Charles Price as Ambassador to England and Bob Nesen as Ambassador to Australia. (Those are the two *plummiest* about-to-be-emptied posts.) Let's see how Reality stacks up. Back tomorrow.

6 November 1984

The CIA's misalliance with covert war

STAT

By William V. Kennedy

ANYONE who thought that the "reforms" introduced after the mid-1970s congressional investigations of the Central Intelligence Agency had solved the agency's problems should by now be thoroughly disillusioned.

To the mining of Nicaraguan harbors now has been added the primer on political assassination and Machiavellian manipulation, and even murder, of one's own associates.

The problem is not that the primer violates a succession of presidential directives against political assassination. Nor does it lie in inadequate supervision or inadequacies of this or that director.

There was a flaw built into the CIA at its foundation. Until that flaw is corrected we are going to be subjected to a chain of worsening embarrassments and crises that could corrupt — some would say already have corrupted — our foreign policy and our domestic politics.

The idea for creation of a centralized intelligence agency was born of the Dec. 7, 1941, Pearl Harbor disaster. Successive investigations had demonstrated that there was sufficient evidence on hand to have enabled the United States military to avoid at least tactical surprise, but service compartmentation and inadequate processing procedures precluded its timely use.

Thus, the Central Intelligence Agency was created in 1947 to serve this purely "intelligence" function.

Not the least of the reasons for the intelligence failures leading up to Pearl Harbor, however, was an American propensity for action rather than for the often dull and monotonous gathering and sifting of seemingly routine facts that is the heart and soul of the intelligence process.

Thus there had emerged during World War II an organization supposedly intended to produce strategic intelligence but which, in practice, was eminently activist in nature, reflecting the *nomme de guerre* of its founder, William J. (Wild Bill) Donovan. This was the "Office of Strategic Services."

The OSS was on the point of going out of business when the Central Intelligence Agency was created. By an act of legal and political legerdemain the remnants of the OSS were "folded into" the new agency.

The commando type activities that were the hallmark of the OSS had nothing to do with the production of intelligence. Yet in the years since, it was the OSS "camel" that took over the CIA "tent." As pointed out by the Senate investigators of the CIA in 1976, all the directors who have emerged from the agency itself have come from the OSS side of the agency — which now has become the "covert action" staff. The present CIA director, William J. Casey, is archetypical in that his only previous "intelligence" connection was with the World War II OSS.

The identification of "intelligence" as a separate and distinct activity is a product of the military staff system that emerged over the past 200 years. A clear distinction was established between intelligence on the one hand and military operations on the other because experience taught that it is all too tempting for operations staff officers to pick and choose the information likely to support a predetermined course of action. That is why in the American military staff system the operations and intelligence staff agencies are separate and at least nominally co-equal.

Permitting the OSS crowd to penetrate and take over the Central Intelligence Agency was a disaster. For it was these people who sold a succession of American presidents, Democratic and Republican, on the notion that "covert action," supposedly concealed under the intelligence umbrella, provided an easy way out of the difficulties of the cold war. The national humiliations that have flowed from this in the Bay of Pigs fiasco of 1961, subversion of governments in Iran and Guatemala that promised a transition to more democratic institutions, and the bloody "Phoenix" program of Vietnam ill-fame down to the present imbroglios over CIA activities in Central America should have convinced us long ago that a drastic overhaul is needed.

Further, the involvement of former CIA "covert action" operatives in the Watergate crisis was a clear warning that sooner or later our own "house" is going to catch fire from the flames we are setting for others.

The most pressing need, therefore, is to remove the covert operations staff from the national intelligence establishment. Whether it should be retained as a reconstituted OSS or placed under control of the Department of Defense is a separate issue — to be determined by whether the national conscience can continue to live with this sort of activity without a formal declaration of war.

That would leave a separate, truly "intelligence" agency, which would be known as something other than its present title, for that has become a national liability. We have created a monster. We owe it to ourselves and to the people who look to us for leadership — in particular moral leadership — to do something about it.

William V. Kennedy is principal author of "The Intelligence War" and he has served as an Intelligence officer in the Strategic Air Command and for 14 years on the faculty of the US Army War College.

6 November 1984

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WASHINGTON WAYS

STAT

By Donnie Radcliffe
Washington Post Staff Writer

"I beg your pardon?" sputtered a Central Intelligence Agency spokeswoman at the agency's Langley headquarters when asked about a cocktail circuit report—planted no doubt by the KGB—that Director William Casey and his wife, Sophia, recently had been divorced and that he had married a former American ambassador to a Caribbean country.

"Director Casey is still very happily married," said the spokeswoman who, after recovering her cool, suggested that the bridegroom in question might be a *former* director, namely William Colby.

Colby, however, said it is not he who has untied one nuptial knot and tied another.

Simply put, Colby said: "I'm not yet married because I'm not yet divorced."

Elections in Nicaragua

Results Will Probably Heighten Tensions Between Washington and the Sandinistas

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, Nov. 4 — The election in Nicaragua today is likely to heighten tensions between Washington and Managua and make it more difficult to develop a peace plan for Central America, according to Reagan Administration officials and Latin American diplomats.

News Analysis

The problem, they say, is that the United States and Nicaragua view the election so differently. They agree on only one point: the election will have a major impact on political developments in the region.

Nicaraguan leaders have said the balloting for President and 90 members of the National Assembly, which is expected to produce an overwhelming victory for Sandinista candidates, will institutionalize and legitimize the revolution that toppled the Government of Anastasio Somoza Debayle in 1979.

The United States and its allies in Central America consider the election to be unfair and unrepresentative and have refused to accept it as a step toward democratic rule in Nicaragua. Secretary of State George P. Shultz, noting that several major opposition candidates refused to take part, has called the election "a sham."

'Complicates the Relationship'

Because the question of internal governance in Nicaragua has been a pivotal issue in regional peace talks and in direct negotiations between the United States and Nicaragua, the different perceptions of the election are likely to harden negotiating positions and exacerbate tensions, the Administration officials and Latin diplomats said.

"The election clearly complicates the relationship between the United States and Nicaragua and is a setback for regional peace talks," a senior State Department official said today.

He added: "We think the Sandinistas realize how badly they botched it. They know the election doesn't have international legitimacy. We hope they will decide to hold another election soon."

If the regional peace talks collapse and the negotiations between the United States and Nicaragua fail to make progress, Administration officials said, the chances of some kind of American military intervention in Nicaragua would increase if President Reagan is re-elected on Tuesday.

The officials said there are divisions within the Administration over how to deal with Nicaragua, including disagreement over the key issue of whether stability in Central America, and United States interests in the region, can be advanced while the Sandinistas remain in power.

State Department officials, including Mr. Shultz, have favored trying to resolve differences through negotiation. Other senior national security aides, including Secretary of Defense Caspar W. Weinberger, William J. Casey, the Director of Central Intelligence, and Jeane J. Kirkpatrick, the chief United States delegate to the United Nations, have questioned the diplomatic initiatives, contending that Nicaragua would not abide by any agreement to reduce its ties to the Soviet Union and Cuba.

The election today will complicate, if not severely damage, the effort of the Contadora Group to develop a peace plan for Central America, according to the Administration officials and Latin diplomats.

The group, composed of Mexico, Panama, Venezuela and Colombia, is revising a proposed peace treaty drafted in September that was endorsed by Nicaragua but criticized by the United States and sent back for revisions by American allies, including El Salvador and Honduras. A new draft is expected to be ready by the end of the month.

The draft treaty called for mutual reductions in arms, troops and foreign advisers among Central American nations and included a prohibition against the establishment of foreign military bases.

It also barred countries from providing support to irregular forces trying to overthrow another government, a provision aimed at stopping Nicaraguan aid to Salvadoran guerrillas and American support of anti-Sandinista forces.

More directly relevant to today's election, the proposed treaty required the guarantee of civil liberties, including free elections. Administration officials, while criticizing the draft treaty for failing to specify how compliance on arms reductions would be verified, said the provisions about free elections would be made meaningless by the Nicaraguan voting.

Calls for Another Election

Now that the Nicaraguan campaign has ended without the participation of major opposition candidates, including Arturo José Cruz, a former Sandinista Ambassador to the United States, the United States intends to insist that any Central American peace plan be contingent on the Sandinistas holding another election, Administration officials said.

"We hope the Sandinistas will recognize that this election was not legitimate and that they will use the National Assembly to write a new constitution that includes provisions for a new election next year," one official said.

Under current Nicaraguan law, candidates elected today are expected to serve for a six-year term.

In direct talks between the United States and Nicaragua, which began in June, the Administration has said any agreement on security issues must be linked to moves toward democratic rule. Sandinista leaders have said the internal political system in Nicaragua is not subject to negotiation.

The negotiations, which have taken place at the Mexican Pacific resort of Manzanillo, have failed to narrow major differences, according to American and Nicaraguan officials.

Some Administration officials have reported that the Administration, while publicly calling for free elections in Nicaragua, argued in private that major opposition candidates should not take part to insure that the elections would appear to be unrepresentative. This contention has been denied by other officials.

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US NEWS & WORLD REPORT

5 November 1984

CURRENT PROFILE

STAT

WILLIAM CASEY

Intelligence Chief With Nine Lives

The hounds of controversy once again are baying at his heels, but his job as America's spymaster is as safe as ever.

For the third time since Ronald Reagan put him in charge of the Central Intelligence Agency, lawmakers are demanding that William Casey quit or be fired. Walter Mondale endorsed the new call for Casey's scalp, a clamor that erupted upon word that the CIA had prepared a kidnap-and-assassination manual for anti-Communist guerrillas in Nicaragua.

Although National Security Adviser Robert McFarlane vowed that whoever was responsible for the controversial primer will be punished, no one expects Casey to step down. According to aides, the 71-year-old lawyer never read or even heard of the manual before it hit the headlines.

The rumpled and irascible grandson of an Irish immigrant has feuded with Congress since he came to Washington in 1971 to head Richard Nixon's Securities and Exchange Commission. Much of the bickering involved the fortune—last estimated at up to 14 million dollars—that Casey made as an investor and author of make-money books.

Not "unfit." Nearly every committee that has checked his qualifications for public office—first as chief of the SEC, then as under secretary of state, head of the Export-Import Bank and director of the CIA—has complained of misstatements, lapses of memory and reluctant disclosures of assets and clients. At one point, a Senate panel declared that the most it could say was that he was not "unfit" for the job.

Disclosure that Casey, in his first two years as CIA chief, made millions of dollars playing the stock and bond markets, produced an uproar. That storm subsided only when he put his investments in a blind trust.

Still another furor ensued when White House Chief of Staff James Baker

swore under oath that Casey, while running Reagan's 1980 campaign, gave him a copy of Jimmy Carter's debate-briefing book. Not so, said Casey as the controversy faded into a still unresolved mystery.

Last spring saw Casey's toughest test—a messy dispute over CIA mining of Nicaraguan harbors. That operation was aborted under fire from Congress.

Do the storms that envelop Casey bother Reagan? As recently as September, the CIA chief received this message from the White House: "You're my man at the CIA as long as I am President."

Casey has done exactly what Reagan wanted him to do: Reversed setbacks suffered in the anti-CIA wave that swept America after Watergate.

Casey's exploits as a coordinator of spy operations against Nazi Germany in World War II gave him a lifelong respect for the usefulness of covert actions, and he eagerly rejuvenated the CIA's clandestine operations.

The spymaster won budget hikes of up to 25 percent a year for the CIA, sharply boosted its covert-action section in staff and money and increased

the number of national-intelligence-estimate papers from a scant dozen a year to nearly 60.

"Get it done." One key White House official says: "When I ask Bill Casey for something, he will get it done and what he gives me will be as timely and short as it can be." Casey's own credo, outlined in a recent speech to CIA staff members: "Set tasks. Set deadlines. Make decisions. Act. Get it done and move on."

Declares Senator Barry Goldwater (R-Ariz.), chairman of the Senate Intelligence Committee: "Casey has built the agency up until today young people are standing in line to join the CIA."

Other lawmakers challenge the "outstanding" rating Goldwater gives Casey. The CIA's Nicaraguan activities, says Senator Patrick Leahy (D-Vt.), have hurt the crucial bipartisan support that the CIA needs in Congress.

But it's a waste of time, Leahy says, to seek Casey's removal. "The President likes him . . . no matter how many screw-ups they make. So he's going to stay, and it becomes a moot point." □



WARREN K. LEFFLER—USMA/WT

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U.S. struggles to keep high-tech from Soviets STAT

By KAREN R. LONG
 Newhouse News Service

A West German customs agent received the tip that would become an international lightning rod in the prosperous black-market trade known as techno-banditry.

The agent was told last November that a Swedish ship would dock in Hamburg the following day for seven hours and would have 40 tons of contraband on board.

Customs agents boarded the ship and seized three 20-foot-long containers. Inside was a VAX 11/782, a highly sensitive and powerful computer made by Digital Equipment Corp. of Weston, Mass.

Digital had sold it to an intermediary company that shipped the computer legally to South Africa. But its final destination was to be the Soviet Union.

The news was greeted with wry alarm in Ohio, where physicists working at the Morton-Thiokol Salt Co. mine in Painesville Township had been waiting for months to obtain a VAX 11/782, which they needed to conduct a multi-million-dollar experiment on proton decay.

It looked as though the Russians were having an easier time getting their hands on a contraband VAX than U.S. scientists were having getting a legitimate one, says Daniel Sinclair, a University of Michigan physicist assigned to the proton project.

Sinclair turned out to be right.

The federal Commerce Department recently fined Digital \$1.5 million for export law violations that authorities believe allowed at least two other VAX 11/782s to slip into Soviet hands. The machines are believed to have assisted the Soviet manufacture of integrated circuits, which have strategic applications.

Digital sold the two computers to the same South African intermediary company, Microelectronics Research Institute.

The Commerce Department had blacklisted Microelectronics for its record of buying militarily sensitive U.S. products and reselling them to the Soviet Union.

The fine imposed on Digital was the largest in U.S. history for export violations. For the intermediary company, experts say, it would have been pocket change.

The flow of U.S. technology to the Soviet bloc often is compared to narcotics traffic, with commensurate fortunes to be made, say U.S. Customs Service agents who try to police the trade.

Their assessment is echoed by Nick Anning, a British expert on the

Soviet Union who co-wrote the book "Techno-Bandits: How the Soviets are Stealing America's High-Tech Future."

"The biggest surprise, in researching the book, was the amount of money to be made in it (theft)—better than standard espionage," Anning says.

"These guys are making millions and leading the life of Riley, always one step ahead of the authorities."

The payoff for Soviet bloc countries is equally rich, defense department spokesmen say.

"The Soviets save billions of dollars and at least five years in their research cycle; they tremendously reduce the development risk of new concepts and the costs of plant modernization; and they get a close working knowledge of U.S. components, giving them an opportunity to construct countermeasures," Richard N. Perle, an assistant secretary of defense and a crusader against technology leaks, has told the International Herald Tribune.

The scale of techno-banditry, like the constantly shifting list of desirable new items, is elusive.

"It's like narcotics," says Jeffrey Friend, senior special agent for Customs' strategic investigations division in Washington.

"It's virtually impossible to measure something unless you get the cooperation of other countries and unless you measure it all."

CIA Director William J. Casey attempted to measure it recently for the Commonwealth Club of California, whose members run the companies of the Silicon Valley, the high-tech heartland outside San Jose.

"You in this room are the bullseye in a massive, well-coordinated and precisely targeted Soviet technology acquisition program," Casey said, according to a transcript of his talk.

"The ability of the Soviet military-industrial complex to acquire and assimilate Western technology far exceeds previous estimates."

"During the late 1970s, the Soviets got about 30,000 samples of Western production equipment, weapons and military components, and over 400,000 technical documents both classified and unclassified. The majority was of U.S. origin."

The crackdown on Digital, a flurry of arrests and thousands of confiscated shipments are part of a get-tough policy begun under the Reagan Administration in 1981. Last month, FBI Agent Richard W. Miller, a 20-year veteran, was arrested and accused of passing FBI secrets to a woman described as a KGB agent.

Though no one argues against the

need for the crackdown, some members of the scientific community have become apprehensive about its scope.

"Scientific enterprise cannot take place in a vacuum," argues Stephen B. Gould, director of the project on scientific communications and national security for the American Association for the Advancement of Science.

Secrecy is just what makes the Soviet science establishment second-rate and so desperate for Western technology, Gould says. By clamping down on the openness that has nurtured Western science, he says, the United States could shoot itself in the foot.

"Systems that are designed on the cutting edge of technology have high failure rates," Gould says.

"We've had a lot of news lately about military systems that do not function and contain defective parts. Some scientists in the military laboratories believe we've become so closed in our development that the bugs can no longer be caught."

Friend of the Customs Service and other government officials say the circumstances are not hopeless. Customs has reported making a dent in the techno-banditry trade in the last two years, thanks to a \$30 million shot in the arm from Congress and a few new strategies.

Agents try to follow up on all U.S.

computer sales to foreign firms that refuse the traditional free installation, a tip the hardware is heading elsewhere. The same goes for those who make special inquiries about warranties if the computer is moved. Packaging in "salt-free" crating to guard against sea air often is another giveaway.

Friend acknowledges that the scientists' apprehension is understandable, but says the best policy probably would keep all parties a little dissatisfied.

"It's a degree of safety that you look for," he says.

4 November 1984

DCI FILE ONLY

STAT

WALTER SCOTT'S Personality Parade

Q *There is a rumor flying about that, if Ronald Reagan is re-elected, the first three resignations he will accept are those of Charles Wick, director of the U.S. Information Agency; William Casey, director of the CIA; and Raymond J. Donovan, Secretary of Labor. Your opinion?—J.L., Bethesda, Md.*

A All three have proved first-term embarrassments to Reagan, but loyalty to his personnel is almost a fetish with the President. It is unlikely that he will drop the three unless they sincerely want to leave—which is highly doubtful, since each covets power and position. Donovan, of course, has been indicted for fraud and grand larceny in New York City and is on leave of absence to defend himself.

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CABINET SECRETARIES HIT THE CAMPAIGN TRAIL
BY D'VERA COHN
WASHINGTON

Using a time-honored advantage of incumbency, President Reagan has sent his Cabinet secretaries across the country to work for his re-election, other Republican candidates and state party treasuries.

Cabinet secretaries made more than three dozen trips on behalf of the national ticket since the campaign began on Labor Day, according to figures supplied by the Reagan-Bush re-election staff and Cabinet offices.

The pace intensified in the campaign's last week, when at least five Cabinet secretaries were booked for road trips by the Reagan-Bush team.

Cabinet members made dozens more appearances to raise money and support for state Republican parties, and Republican candidates for other offices.

In the campaign's closing weeks, most Cabinet secretaries also accepted more speaking invitations to trade group meetings and other non-political events, where their messages endorse Reagan administration policies.

Agriculture Secretary John Block is among the most active Reagan-Bush campaigners. He has spent 12 days since Labor Day courting farm votes in nine states, according to his office, and made one appearance with Reagan.

The Cabinet's two women secretaries are busy, too. Health and Human Services Secretary Margaret Heckler was booked for eight days on the road in eight states on behalf of Reagan-Bush, including three women's rallies. Transportation Secretary Elizabeth Dole spent six days in eight states.

Housing Secretary Samuel Pierce campaigned for seven days in seven states, according to Reagan-Bush figures. Interior Secretary William Clark is campaigning in his home state of California for five days.

Also campaigning, according to the Reagan-Bush staff, was Energy Secretary Donald Hodel, booked in two states in three days; Education Secretary Terrel Bell, three states in three days; Commerce Secretary Malcolm Baldrige, two days on the trail; and Treasury Secretary Donald Regan.

Cabinet members also are valuable draws on behalf of other Republican candidates. Dole, one of the most popular, campaigned for eight GOP Senate

CONTINUED

nominees, including North Carolina Sen. Jesse Helms, in addition to other Republican hopefuls, according to her office. Bell also campaigned for Helms.

Clark campaigned for at least 10 congressional candidates and two senators, and was on the road for two weeks in September, in addition to a week on behalf of Reagan-Bush this month, according to his office.

Baldrige's staff said he helped at least a dozen GOP congressional candidates, and took political trips once or twice a week since Labor Day.

Regan is estimated to have raised \$750,000 to \$1 million for GOP congressional candidates and causes, according to the Reagan-Bush campaign. The campaign said he helped bring in \$350,000 at one Reagan-Bush fundraiser and \$150,000 at a get-out-the-vote rally.

As political appointees, Cabinet members are not barred from campaigning, as are career federal employees. A Reagan-Bush spokesman said the campaign is "extraordinarily careful" about ensuring the government does not foot the bill for political events.

Most political activity by Cabinet secretaries this season is on behalf of state parties' get-out-the-vote drives, called Victory '84, because that is where it is needed most, said Reagan-Bush campaign spokesman John Buckley.

With Reagan ahead in the polls, Cabinet members are of more use campaigning on the local level.

"The most effective use of their time that we have is to help raise money for state parties," Buckley said. "Campaigning is done primarily by the president and vice president."

Mainly because it looks inappropriate, six of the 16 Cabinet members have done no Reagan-Bush campaigning -- Attorney General William French Smith, Defense Secretary Caspar Weinberger, Secretary of State George Shultz, CIA Director William Casey, Budget director David Stockman, although he did attend fund-raisers, and U.N. Ambassador (and registered Democrat) Jeane Kirkpatrick. A seventh, Labor Secretary Raymond Donovan, canceled appearances after he was indicted by a New York court last month and went on leave.

But both Shultz and Weinberger have made more speeches recently, criticizing Democratic policies without mentioning presidential nominee Walter Mondale by name. And two former GOP defense secretaries, Melvin Laird and Donald Rumsfeld, attacked Mondale's record at a campaign-sponsored news conference last month.

When 21 ambassadors appointed by Reagan recently endorsed Helms, however, Shultz quickly released a statement saying it would be improper for the department's career foreign service officers to do the same.

LETTERS TO THE EDITOR

STAT

Standing by Mr. Casey

Joseph Kraft ["The Blame Falls on Casey," op-ed, Oct. 28] quoted a remark supposedly made by a former Republican secretary of state which was highly defamatory about William Casey, head of the CIA. If such a statement were in fact ever made, the source should be promptly identified.

I have known Mr. Casey for many years, both professionally and socially. No one who has been associated with Bill Casey would ever have the slightest question about his integrity.

WILLIAM P. ROGERS
Washington

The writer was secretary of state from 1969 to 1973.

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DALLAS TIMES-HERALD (TX)

5 November 1984

STAT

Double-edged sword

While no one seriously suspects that the United States was involved in any way in the assassination of Indian Prime Minister Indira Gandhi, as the Soviet Union cruelly has suggested, the credibility of American denials of such charges cannot help but be undercut by the involvement of the Central Intelligence Agency in distributing manuals to Nicaraguan guerrillas recommending kidnapping and assassination.

There is a certain irony in the fact that in the same week that the U. S. government has issued a strong protest against the "absurd and irresponsible" Soviet charges of CIA involvement in the cowardly murder of Mrs. Gandhi in New Delhi, CIA Director William J. Casey has sent a letter to Congress trying to justify his agency's role in the publication of a manual on how to "neutralize" local public officials in Central America.

Would Mr. Casey have the world community believe that the U. S. recommends murder to achieve its political goals in Central America, but opposes such a policy on the Indian continent or in other parts of the world. Since the CIA chief seems to have difficulty understanding the problem with the United States' deploring violence in some places, (e.g., Lebanon, India, Northern Ireland) and then advocating it in others (e.g., Nicaragua) in a manual blessed and defended by its top intelligence agency, President Reagan and Congress should explain it to him — as quickly and in as pointed a way as possible.

We are not suggesting, however, that the CIA how-to book on insurgency and assassination was a mistake simply because it creates awkward diplomatic problems. Obviously, there is something terribly insidious about an agency of the U. S. government being connected, even indirectly, to a manual that explains how to kidnap, kill and blackmail public officials in another country. President Reagan, in fact, has specifically prohibited such activity. In defending the publication of the CIA manual, then, Mr. Casey seems to be contradicting the position of the administration he serves.

When the controversial manual first surfaced last month, National Security Adviser Robert McFarlane made the one clear-headed statement that we have heard during the entire episode. He promised that President Reagan would fire any U. S. official who was involved in producing the manual. Although Mr. McFarlane said he presumed that a low-level intelligence official was primarily responsible, he indicated that even Director Casey would be subject to dismissal if it was determined that he had authorized publication of the manual.

It is not clear what role, if any, the director played in publication of the manual; but part of it was written at CIA headquarters in Langley, Va., and, to compound the outrage, Mr. Casey now is defending it.

In so doing, he is doing a disservice to his country. He is badly undercutting U. S. credibility and giving America's adversaries ammunition to use against her.

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2 November 1984

C.I.A. Chief Defends Manual for Nicaraguan Rebels

By JOEL BRINKLEY

Special to The New York Times

WASHINGTON, Nov. 1 — William J. Casey, Director of Central Intelligence, has written a letter to members of Congress defending a C.I.A. manual for Nicaraguan rebels that advocates kidnapping and assassinating Nicaraguan Government officials.

Mr. Casey's two-page letter, dated Oct. 25, is the first statement to be made public that expresses the agency's view of the document, which has been sharply criticized in Congress and elsewhere.

The White House has said any Central Intelligence Agency official "involved in the development" of the manual "or approval of it" will be dismissed.

But in his letter, Mr. Casey said the "thrust and purpose" of the manual are, "on the whole, quite different from the impression that has been created in the media."

'Emphasis on Education'

He said the manual's purpose was "to make every guerrilla persuasive in face-to-face communication" and to develop "political awareness," adding that its "emphasis is on education, avoiding combat if necessary."

Mr. Casey's letter was sent to members of the Senate and House intelligence committees, along with a translated and annotated copy of the manual and of another agency document for the insurgents, a rebel "code of conduct." Both committees are investigating to see if the agency acted improperly in preparing the manual.

The annotations of the manual show how the document was edited at C.I.A. headquarters. Agency officials told two members of the Senate Intelligence Committee last week that "a great part of" the manual "was excised before printing," Senator Malcolm Wallop, Republican of Wyoming, said after the C.I.A. briefing.

But the translation Mr. Casey sent to

members of Congress shows that only one sentence "was deleted in the headquarters edition," the C.I.A. annotation says. That sentence says, "If possible, professional criminals will be hired to carry our selective 'jobs.'"

It is unclear when that sentence was deleted because rebel leaders said it was included in the edition they received.

Mr. Casey would not comment on his letter today.

Reagan Orders 2 Inquiries

In addition to the Congressional investigations, President Reagan ordered the C.I.A.'s inspector general and the President's Intelligence Oversight Board to conduct inquiries. Today the White House spokesman, Larry Speakes, said the C.I.A. investigation was now complete and had been sent to the oversight board.

Mr. Speakes said Mr. Reagan had not seen the C.I.A. inspector general's report and did not know what it says. Mr. Speakes also said he did not know when the Oversight Board investigation would be finished and when, if ever, the results would be made public.

Also today, Representative Norman Y. Mineta, the California Democrat who is a senior member of the House Intelligence Committee, said the C.I.A. had refused to allow the committee to question the agency employee known as John Kirkpatrick, who is believed to be the manual's author.

Mr. Mineta said: "We know who he is, and the C.I.A. knows where he is, and they just refuse to let us talk to him." He also said he had been told that Kirkpatrick was not the man's actual name, and he said he had learned that the manual's author was still employed by the C.I.A. at its headquarters in Washington.

Mr. Mineta and others members of Congress also criticized the C.I.A. today for another explanation of the manual that appeared in published reports this week.

Moderating Purpose Cited

An article in The Washington Post on Wednesday, quoting intelligence officials and rebel leaders, said the manual had been prepared in response to reports of widespread abuse and corruption among the rebels, including rapes, torture and indiscriminate killings of Nicaraguan citizens. The manual, the published reports said, was intended to moderate the rebels' conduct.

In an interview, Edgar Chamorro, the rebel leader who was in charge of publishing the manual, said: "That was one purpose but was not the main purpose of the manual. It was to teach us the principles of guerrilla warfare."

Mr. Chamorro added, however, that Mr. Kirkpatrick "didn't want us to use a shotgun approach; he wanted us to select our targets."

Many unconfirmed reports have been made public in recent months accusing the anti-Sandinista guerrillas of torturing and killing hundreds of seemingly innocent civilians. The reports have included witnesses' accounts from missionaries and others living or traveling in Nicaragua.

Members of the Senate and House intelligence committees and their aides said today that if the American-backed rebels were guilty of atrocities, the

C.I.A. should have told Congress.

But Senator Patrick J. Leahy, the Vermont Democrat who is a member of the Senate committee, said, "There has been a clear absence of any such discussion."

A senior Government official who is familiar with the C.I.A.'s Congressional briefings on the subject said, "They have always said there is a little problem here and a little problem there, but nothing serious."

How to "Neutralize" the Enemy

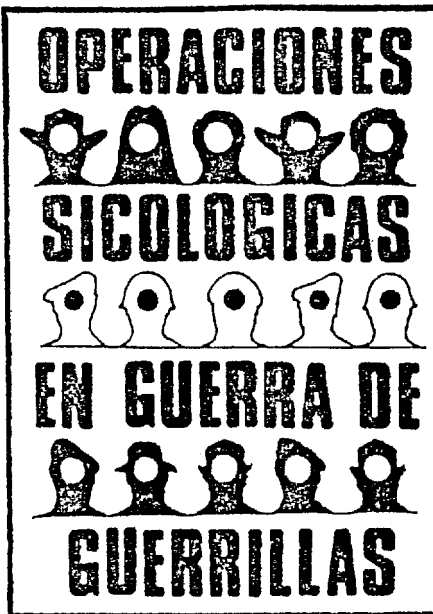
A shocking CIA primer jolts the Administration

The 89-page booklet entitled *Psychological Operations in Guerrilla Warfare* is a primer on insurgency, a how-to book in the struggle for hearts and minds. Some of the "techniques of persuasion" are benign: helping the peasants harvest crops, learn to read, improve hygiene. Others are decidedly brutal: assassination, kidnaping, blackmail, mob violence.

It could be a manual for the Viet Cong or the Cuban-backed rebels in El Salvador. If it were, the Administration would likely be waving it as proof of its thesis about the sources of insidious world terrorism. In fact, however, it is a publication of the CIA, written for Nicaraguan *contras* seeking to overthrow the Sandinista regime. Its disclosure last week came as a political embarrassment to the Administration and a major moral one for the U.S. It stirred memories of CIA abuses that were supposedly outlawed a decade ago and gave Democrats a potentially hot new campaign issue.

The pamphlet, written in Spanish, recommends use of "selective violence" to "neutralize" Sandinista public officials "such as court judges, police and state security officials." To make an example of an execution, it is "absolutely necessary to gather together the population affected, so that they will be present and take part in the act." If "it should be necessary" to shoot a "citizen who is trying to leave town," guerrillas should claim that he was "an enemy of the people." Targets who fail to cooperate, the manual instructs, should be "exposed" to police "with false statements from citizens." The finale of a successful local insurgency is a mob riot. "Professional criminals will be hired to carry out specific selective jobs" like provoking a shooting that will "cause the death of one or more people who would become martyrs for the cause." A guerrilla commander stationed in a tower or tree should give the signal to begin the mayhem, the manual instructs. "Shock troops" armed with "knives, razors, chains, clubs and bludgeons" will "march slightly behind the innocent and gullible participants."

The document clearly violates the spirit of an Executive Order signed by Reagan in 1981 that prohibits even indirect participation in assassination. At the very least, the document undercuts Reagan's moral pronouncements condemning state-sponsored terrorism by such nations as Libya, Syria and Iran. Last June, for example, Secretary of State George Shultz declared, "It is not hard to tell, as we look around the world, who are the terrorists and who are the freedom fighters. . . . The *contras* in Nicaragua do not blow up school buses or hold mass executions of civilians." (Asked how to reconcile Shultz's statement with



Psychological Operations in Guerrilla Warfare

partment spokesman said he was prohibited from discussing intelligence matters.)

A *contra* leader now in exile in Miami, Edgar Chamorro, told TIME that the document is based on notes given him a year ago by a "gringo" who arrived as a CIA operative at rebel headquarters in Tegucigalpa, Honduras. He was described by Chamorro as an Irishman who fought for the U.S. in the Korean War and admired the "psychological operations" of the Irish Republican Army. Chamorro printed up 2,000 copies of the manual and handed out 200 of them to his troops, but then he had second thoughts. He revised the rest by censoring out references to



Contra Leader Chamorro in Miami

"criminals" and "murder." (It was not the only time that *contra* leaders have balked at CIA help. Last spring they objected to a 16-page CIA *Freedom Fighters' Manual*, which showed, with comic-book-style illustrations, sabotage techniques like pulling down power cables and putting dirt into gas tanks. It was eventually distributed, but one *contra* leader objected that the cartoon characters depicted in the drawings "didn't look very Nicaraguan.")

Adolfo Calero, one of the *contra* leaders, denied last week that his guerrillas followed the terrorist teachings in the CIA manual. But in the field, the *contras* do use psychological and physical coercion to win over the peasantry, just as Communist-backed rebel organizations do. Government sympathizers are sometimes executed, and *contra* commanders have discussed assassinating one or another of the nine-member ruling Sandinista directorate. The *contras* had a list of 60 Sandinistas in the village of San Fernando who had to be "eliminated" before the *contras* could safely occupy the town last year, according to those who traveled with the *contras*. (They never took the town.)

Reaction to the CIA manual, the existence of which was first revealed by the Associated Press last Monday, was fast and furious. Walter Mondale demanded the resignation of CIA Director William Casey, and questioned Reagan's role. "Did he know this was going on?" asked Mondale. "I don't know which is worse—knowing this was going on or having a Government where no one is in charge." Congressman Edward Boland, the chairman of the House Intelligence Committee, fumed that the document was "repugnant to a nation that condemns such acts by others. It embraces the Communist revolutionary tactics that the United States is pledged to defeat throughout the world." His committee launched an investigation, and its Senate counterpart scheduled a closed briefing by CIA officials.

The White House moved quickly to disavow the document. President Reagan ordered two investigations, one by the CIA inspector general's office and the other by the agency's three-member oversight board. "The Administration has not advocated or condoned political assassination or any other attacks on civilians, nor will we," said Spokesman Larry Speakes. Other officials claimed that the booklet had been prepared by a "low-level contract employee" of the CIA and was never cleared for publication by higher-ups. The document indicates a sophisticated knowledge, apparently drawn from CIA field reports, of techniques currently being used by Communist guerrillas. The key political and moral question is whether senior Government officials knew what the CIA manual was advocating, and if not, why not.

—By Evan Thomas. Reported by Martin Casey/Miami and Ross H. Munro/

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2 November 1984

Casey's Letter on Nicaragua Manual

Special to The New York Times

WASHINGTON, Nov. 1 — Following is a letter from William J. Casey, Director of Central Intelligence, to members of the House and Senate Intelligence Committees. The letter, dated Oct. 25, was obtained today from a member of Congress.

I'd like you to look through the much publicized text of the F.D.N. manual on psychological operations together with the code of conduct prepared in pocket size for every F.D.N. soldier to carry with him at all times.

You will see that the thrust and purpose of this material is, as Senator Wallop has said publicly, on the whole quite different from the impression that has been created in the media. The ultimate distortion appeared in this morning's New York Times editorial, which speaks of the agency "having to be stopped from illegal minings and murders." This distortion of the reality must be corrected.

Let me describe these documents and their contents to help you work your way through them. They were prepared in the political section of the F.D.N. with the help of an advisor provided by the C.I.A. The code of conduct explains that the objective of the F.D.N. is the development of a democratic and pluralistic government in Nicaragua. It describes the need to achieve a reconciliation of the Nicaraguan family, to establish social justice and human rights in Nicaragua, to restore the freedoms violated by the Sandinistas and to achieve economic reform and "greater social mobility."

Purpose of Manual

The manual, entitled "Psychological Operations in Guerrilla Warfare," was prepared by and addressed to people who had made the fateful decision to engage in armed combat in order to resist oppression

by a totalitarian regime. Its purpose is stated as assuring that every combatant will be "highly motivated to engage in propaganda face to face, to the same degree that he is motivated to fight."

It aims to make every F.D.N. guerrilla "persuasive in face-to-face communication — a propagandist combatant — in his contact with the people; he must be capable of giving 5 or 10 logical reasons why, for example, a peasant must give him fabric, needle and thread to mend his clothes. When the guerrilla behaves this way, enemy propaganda will never turn him into an enemy in the eyes of the population."

It goes on to deal with developing political awareness, using group dynamics, interaction with the people, "live, eat and work with the people," respect for human rights, teaching and civic action.

Protecting Guerrillas

There is a section headed "guerrilla arms are the strength of the people against an illegal government." This deals with protecting the guerrillas and citizens when a town is occupied. There is also a section on the training and operations of armed propaganda teams, made up of 6 to 10 members charged with raising political consciousness within Nicaragua and personal persuasion within the population.

Again, the emphasis is on education, avoiding combat if possible, "not turning the town into a battlefield." That context puts into perspective the four passages with which the whole document and the F.D.N. psychological operations have been characterized. Two of these four passages were deleted by the F.D.N.

Of the other two, one advises on how to explain to the population if a guerrilla, having "tried to stop the informant without shooting" should

shoot that individual. The other uses the word "neutralize" in dealing with the problem of removing local officials or occupying a town.

It is important to note that these two passages are in the context of entering or occupying a community and dealing with a situation in which actual or potential resistance remains.

They are preceded by admonitions that the "enemies of the people, the Sandinista officials or agencies, must not be mistreated in spite of the criminal actions even though the guerrilla forces may have suffered casualties" and also that "whenever it is necessary to use armed force during an occupation or a visit to a town or a village," the guerrillas are to "explain to the population that first of all this is being done to protect them, the people not the guerrillas themselves" and that "this action, while not desirable, is necessary because the final objective of the insurrection is a free and democratic society where acts of force are not necessary."

NICARAGUAN TALKS ARE SAID TO STALL

Meetings With U.S. in Mexico Fail to Narrow Differences

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, Nov. 1 — Recent talks between the United States and Nicaragua have failed to narrow major differences between them, according to officials of both countries.

Representatives of the two countries met at the Mexican Pacific resort of Manzanillo on Tuesday and Wednesday in their seventh negotiating session since Secretary of State George P. Shultz made an unexpected visit to Nicaragua in June.

Although the talks were said to have progressed better than expected during the summer, generating a ripple of optimism that tensions might be reduced, Reagan Administration officials said it was now clear that the discussions had stalled after an initial exchange of proposals. They said it was not clear whether the talks would continue after elections in Nicaragua and the United States next week.

Two Administration officials familiar with the discussions said today that the United States had declined to modify proposals first offered in August that called for major concessions on security issues by Nicaragua. The officials said that the proposals did not detail what reciprocal steps would be taken by Washington.

State Department officials, defying the American position, said Nicaragua's counterproposals called for equally large concessions by the United States, including the removal of all American forces from Central America and the dismantling of military bases in Honduras improved by the United States in recent years.

The department officials said that the United States representative at the talks, Harry W. Shlaudeman, President Reagan's special envoy to Central America, was negotiating in good faith with the expectation that some sort of agreement could eventually be reached.

What the U.S. Seeks

The proposal presented by the Administration in August called for the withdrawal of all Soviet and Cuban military advisers from Nicaragua within nine months of the signing of an agreement, the two Administration officials said.

In return, according to a copy of the proposal made available by one of the officials, the United States said it was prepared to take removal of the advisers "into consideration" when setting the level of American forces in Central America.

The United States, according to the proposal, also offered not to mine Nicaraguan harbors or attack oil storage installations if Nicaragua would close a communications center in Managua that the Administration says has been used to direct guerrilla operations in El Salvador. The mining and attacks, which were directed by the Central Intelligence Agency, were stopped in April because of Congressional opposition.

In addition, the two officials said, the United States insisted that any agreement with Nicaragua, whether directly between Washington and Managua or among Central American nations, must include provisions for moving Nicaragua toward democratic rule.

Elections Called a Sham

Sandinista leaders have repeatedly said that the governance of Nicaragua is an internal matter not subject to negotiation with the United States or any other country.

Presidential elections scheduled to be held in Nicaragua on Sunday have been called a sham by Mr. Shultz.

Last month, the United States presented a technical paper on how any agreement about reductions in arms

and foreign advisers could be verified.

The two Administration officials said that Mr. Shlaudeman was limited in what he could accomplish at Manzanillo by negotiating instructions prepared in Washington that barred any serious exploration of how differences between the two countries could be resolved, or at least narrowed.

"No one will tell Shlaudeman what the end game is, what the road map to a final agreement is," one of the officials said. He added, "The reason is that the Administration doesn't really want a settlement with the Sandinistas."

These and other Administration officials said that a number of senior Reagan aides, including Secretary of Defense Caspar W. Weinberger, William J. Casey, the Director of Central Intelligence, and Jeane J. Kirkpatrick, the chief United States delegate to the United Nations, were opposed to negotiations with the Sandinistas.

Their opposition, the officials said, was based on objections to the Kennedy Administration's apparent agreement with the Soviet Union in 1962 that the United States would not take military action against Cuba unless it posed a strategic threat to the United States. That commitment, which was never stated explicitly, is generally considered to be part of the accord that ended the Cuban missile crisis.

One Administration official said: "Some of Reagan's advisers say that kind of agreement must never happen again. No one knows whether the United States should invade Nicaragua, but people don't want to foreclose that option by signing some kind of agreement."

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FOR PUBLIC AFFAIRS STAFF

PROGRAM News Watch

STATION CNN-TV
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DATE November 2, 1984 5:00 PM CITY Washington, DC

SUBJECT Report From CIA on Manual Discovered in Nicaragua

LOU WATERS: The CIA's Inspector General is investigating the Agency's controversial manual designed to teach Contra rebels how to overthrow Nicaragua's government.

Today, Democrats in the House and the Senate Intelligence Committees say the Reagan Administration is holding up the results of those investigations to avoid embarrassing the President before the election.

Mary Tillotson joins us now from our Washington studios with a report.

Mary?

MARY TILLOTSON: Lou, about three weeks ago, after word of that CIA manual on terrorist techniques to be used by the Contra rebels in Nicaragua surfaced in press reports, President Reagan put out a statement saying he is opposed to the sort of political assassination recommended in the manual, and also ordering two investigations of how the manual got produced.

The CIA Inspector General's office has now completed its investigation and sent its findings to the White House Intelligence Oversight Board for further review.

But, Democratic members of both the House and Senate Intelligence Oversight Committees, like Vermont's Senator Patrick Leahy, say they are now convinced the Administration will sit on the investigation findings until after the election.

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FILE ONLY

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Personalities

Former presidential contender Jesse Jackson will no longer be giving away his spellbinding oratory. He's going for the big money and has signed with the Agency for Performing Arts with a \$1 million advance for personal and television appearances and writing books. At \$25,000 a speech, he's in the big leagues with former secretaries of state Henry A. Kissinger and Alexander M. Haig Jr. and columnist Art Buchwald . . . Noted authors Howard Fast ("The Last Frontier" and "Citizen Tom Paine") and Stephen Birmingham ("Our Crowd" and "The Grand Days: America's Sephardic Elite") are the guest speakers Sunday at the second annual Jewish Book Fair at the Jewish Community Center in Rockville. Fast's newest book is "The Outsider"; Birmingham's is "The Rest of Us" . . . How tough can you be in an argument with your boss? Frank Mankiewicz, a well-credentialed Democrat working as an executive vice president at Gray & Co., will debate his boss, Robert Keith Gray, a man with sparkling Republican credentials, on the topic "Reagan versus Mondale" today at a luncheon of the Washington Society of Invest-

ment Analysts in the Sheraton-Carlton hotel . . . It may be the only landslide victory Walter Mondale will get this year. On Tuesday a streetcorner poll was held at the Connecticut Connection at Connecticut and L and 2,928 passersby participated, mostly from D.C., Maryland and Virginia, with 10 percent from other areas. Mondale won 60 percent of the vote. Those from other areas, incidentally, cast 60 percent for President Reagan . . . Mort Sahl, the satirical dark prince of the 1960s, opened this week at Charlie's Georgetown and hasn't lost his sharpness. He described CIA director William Casey as "the spy who came in for the gold," and said President Reagan left before the movie "Country" was over. "When the bank foreclosed he thought that was the happy ending."

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Rebuilding the CIA

Reagan's second term may see the resolution of one of the CIA's secret wars - the one that has been waged quietly behind the scenes between Central Intelligence Director **William Casey** and some of his staff and a group of professionals who share neither his enthusiasms nor convictions. One of Casey's signal achievements has been to inject new life and energy into the U.S. intelligence community. But some of the old-line professionals have been opposed to the operations he has sought to pursue most vigorously. Following the model of the Good Soldier Shweik, these staffers have followed orders but have not provided moral support or personal initiative. Through various channels, some of them have signalled Congress discreetly that they were against some of the actions being taken in the not-so-covert war in Central America. These are the same men who held key posts in the intelligence community in the era of passivity and disenchantment presided over by the **Carter** administration. Their survival in top CIA jobs today has been due in part to the loss of many of the Agency's best operatives in the 1970s, most notably in Admiral **Stansfield Turner's** "Halloween Massacre" (see below). But two events within the CIA during Reagan's first term also help to explain the present division of power.

The first was Casey's curious choice of **Max Hugel** as Director of Operations. This set off a furore amongst intelligence professionals, most of whom believed that Hugel, a street-smart businessman and an old friend of the new DCI, was qualified for the job only by personal loyalty to Casey. The post Hugel was offered is uniquely sensitive, since the Director of Operations is responsible for clandestine operations in the field. Hugel was forced out after a virtual revolt inside the Agency. This episode, coming early in Casey's tenure, bruised his authority within the community.

The second event was the unexpected retirement, at the midpoint of Reagan's first term, of Admiral **Bobby Inman** as Deputy Director of Central Intelligence. Inman, a former chief of the National Security Agency (NSA), was widely respected throughout the community for his discretion and professionalism, and many insiders felt sure he would eventually succeed Casey in the top intelligence job.

These unrelated episodes brought the Agency's most cautious professionals into positions of control. For many months before the elections, the idea was canvassed widely that Casey would be forced to retire in the near future as the result of pressure from inside the Administration, the Republican Party and the Congress, much of it related to recent events in Central America. A powerful lobby would then be assembled to bring in a professional as director. This would please many in Congress, most notably House Speaker **Tip O'Neill**. The problem is that, in the present context, such a DCI would be extremely unlikely to be an operations man with a wealth of personal experience

of the realities of intelligence work in the field. Top management of the CIA is good, a veteran intelligence observer comments, but it is exactly that: management. The overriding theme is survival, understandable enough after the traumatic experiences of the past decade and a half, during which the Agency has taken a battering from both Democrats and Republicans.

The CIA's operational capacity was savaged under the Carter Administration. For all the outrage registered over Reagan's campaign statement that the erosion of U.S. intelligence in those years may have contributed to the success of terrorism in Beirut, many insiders think his remarks were justified. **Stansfield Turner** was quoted as saying that the President must be wrong because the CIA didn't cut a single operative overseas. A number of CIA veterans who were forced out during his incumbency express anger and disbelief that Turner could make such a claim. One *EW* source reports that, as a result of Turner's cuts, in *Western Europe alone*, the CIA:

- Lost 90 per cent of its intelligence reporting ability in West Germany;
- Lost its entire Greek-speaking component in the Athens station;
- Lost the intelligence reporting section of the Paris station;
- Lost its chief of station in Madrid;
- Lost the key operative who had helped to prevent a Communist takeover in Portugal;
- Lost its foremost expert on Western Europe and the Socialist International, with an invaluable - and irreplaceable - network of sources.

THE OCTOBER SURPRISE

BY CARLE CARLSON

The teletype machines in newsrooms across the country endlessly clack out bulletins and news releases, only occasionally interrupted by nearly inaudible alarm bells warning of some important news forthcoming.

The bells rang late in the evening of October 15, 1980, and the machine delivered this news: EDITORS, PLEASE NOTE: WLS-TV CHANNEL SEVEN IS BREAKING A MAJOR NEWS STORY OF NATIONAL AND INTERNATIONAL IMPORTANCE. EXCLUSIVE ANNOUNCEMENT ON 10 PM NEWS TONIGHT. What transpired certainly lived up to the billing. WLS-TV reporter Larry Moore announced: "Through exclusive sources, I have learned tonight a deal is in the works for the release of the hostages."

This stunning exclusive, purporting to scoop all the world's other news-gathering organizations, amounted to fulfillment of a dire warning that had been made over the past several months by officials of the Committee to Elect Reagan: Be on guard for an attempt by President Jimmy Carter to formulate a secret ransom deal to free the American hostages in Iran. Such a move, Reagan's men felt, coming so soon before the November 4 election, might guarantee Carter's reelection.

The men around Ronald Reagan called it the "October surprise," and Moore's exclusive report seemed to confirm their worst fears—that the euphoria resulting from the release of the 52 American hostages might sway millions of American voters into forgetting why they were thinking of voting against Jimmy Carter.

Or so it would appear. But, in fact, the words delivered by a reporter on a local television station owned by ABC in Chicago represented the climax of a sour chapter in the history of American politics. And it is a chapter that has remained unknown up until now. In basic form, it amounts to:

- A political-espionage operation, directed and controlled by some members of the Reagan committee, that dwarfed in scale anything conceived in the days of the Nixon political-spying operation—or any other similar operation, for that matter.

- An operation that ultimately resulted in the destruction of what was apparently an imminent deal between Iran and Carter to release the American hostages months before they were set free coincident with Reagan's inauguration. That deal was aborted by a news leak that took place immediately after the Reagan committee learned of it.

- A complicated series of events that saw TV reporter Larry Moore used as an innocent dupe to destroy the very deal he was reporting.

What follows is not a nice story. There are no heroes and no winners. It is a story of political chicanery. Until the present time only a tiny part of it has surfaced: charges that Reagan's people stole confidential briefing papers prepared for Carter prior to his nationally televised debate with Reagan, an incident known as "debategate." But there is more—much more.

Whether any criminal prosecutions will result remains an open question. Last spring a congressional investigation concluded that there had been a "cover-up" of the Reagan spying operation. Meanwhile, an attempt to appoint a special prosecutor to probe the 1980 campaign is still ensnared in legal arguments.

Still, few seem to grasp the full extent and depth of the spying operation—its tracks have been well covered, and even revelations connected with the theft of the briefing papers have not unlocked the rest of the spying operation's secrets.

Like all modern presidential-election campaigns, the Reagan campaign had a political-espionage apparatus. As a challenger, Reagan could come to rely on the customary resources of such operations: disgruntled career diplomats, government employees, and not-so-loyal members of the opposition party.

But there were two factors that elevated this time-honored custom of political espionage into something much different in 1980. One was the growing conviction within the Reagan campaign that Carter almost certainly would pull an October surprise, i.e., arrange the release of the hostages at the most critical point of the campaign. Therefore, there was an urgent requirement for detailed intelligence from inside the Carter White House.

The second factor, and in some ways more important than the first, was the nature of some of the people running the Reagan campaign. Besides George Bush, the vice-presidential candidate and former CIA director with extensive contacts

all across the U.S. intelligence community, there was William J. Casey, director for the entire campaign.

Casey, the present CIA director, was a millionaire Wall Street lawyer who had served in the Office of Strategic Services (OSS) during World War II and later served in a variety of official and nonofficial government appointments, including membership on the President's Foreign Intelligence Advisory Board. A man with wide contacts throughout the governmental and intelligence structure, Casey was known as an obsessive collector of information, a man with an unquenchable, devouring passion for all data.

And the data Casey was most interested in during the 1980 campaign was information on the Carter White House and the Carter reelection campaign. For example, the minutes of a September 12, 1980 meeting of Casey's lieutenants record that the campaign director "wants more information from the Carter camp. . . ." Perhaps not so coincidentally, the exhortation came just three days after a secret communiqué from the German government to Carter that Khomeini was ready to make a deal on the hostages—and on the very same day that Khomeini signaled the Carter White House that the Germans were bona fide messengers.

This interesting coincidence of events suggests a fairly sophisticated information-gathering operation that extended into the Oval Office, an operation that was able to alert the Reagan committee to even the most sensitive top-secret developments. While it is difficult to estimate its size, there is no question that the spying operation was quite extensive, covering the entire government apparatus.

Casey himself had revealed the existence of the operation in July 1980, during the Republican National Convention in Detroit. With typical audacity, Casey told reporters that he was establishing an "intelligence operation" in the campaign, and he said flatly that it was aimed at discovering whether Carter planned any October surprise.

Reportedly, however, other Reagan campaign officials were upset at Casey's direct admission of an intelligence operation, and it was not, as such, ever referred to again in public. But it flourished in secret. Oddly enough, the operation's most valuable assets were not campaign workers but a fairly large number of ostensibly loyal government employees. To the Reagan committee's surprise, there were many military and intelligence-agency employees who had become convinced that Carter was a dangerously muddleheaded feather merchant. While not enamored of Reagan, they felt strongly that under no circumstances should Jimmy Carter be

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